

South Australian Tourism Commission  
**ANNUAL REPORT**  
2015-16



Government  
of South Australia  
South Australian  
Tourism Commission



# SATC ANNUAL REPORT 2015-16

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# LETTER OF TRANSMITTAL

30 September 2016



Hon. Leon Bignell MP

Minister for Tourism

Dear Minister

It is with pleasure that I submit the 2015-16 Annual Report of the South Australian Tourism Commission (SATC) in accordance with Section 24 of the *South Australian Tourism Commission Act 1993*.

Yours sincerely,



Rodney Harrex  
Chief Executive  
South Australian Tourism Commission

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# CHAIR'S REVIEW



The South Australian economy is undergoing a transformation and tourism is a key player in the future prosperity of the state. To take advantage of this opportunity the South Australian Tourism Commission (SATC) will continue to make strategic decisions and investments that will support the growth of this sector which will ultimately create jobs and sustain local communities.

Our tourism industry is currently valued at around \$5.9 billion and we are on track to grow that to the full potential of \$8 billion by 2020. We are committed to growing the visitor economy and securing the long-term growth of our state. It has been a phenomenal year for tourism in South Australia with many achievements and successes, all of which are detailed in this report. Our performance in terms of international and domestic visitors and expenditure has been exceptional and we have seen record growth.

Testament to the importance of tourism in building our state's economy is the State Government's investment in our industry. The 2015-16 State Budget saw an additional \$35 million allocated to the SATC over two years for international and domestic marketing and business and leisure events. An additional \$8 million was provided over four years for the Santos Tour Down Under and Adelaide Fashion Festival. The excellent results achieved through this funding in just one year are detailed in an infographic (see page 7).

Tourism is so much more than visitors coming to our state and that's why the term 'visitor economy' is critical when we talk about our industry. It creates jobs, sustains local and regional communities and provides an international shop window to support many sections of our economy. It has flow on effects and touches every industry, business and community - from the obvious tourism offerings to food and wine exports, education, business investments and real estate.

Each dollar spent by one of these visitors enhances our economy - that sparks the chance of new jobs for locals, not just in metropolitan areas but also in the regions. Investing in tourism is also a great way to promote growth in regional South Australia, where 42% of tourism dollars are spent.

*Countries like China are a once in a lifetime opportunity for our state that cannot be overstated.*

Local Government has an important role to play in boosting tourism and the visitor economy by ensuring they are strategically aligned with the South Australian Tourism Plan 2020. It is critical that we work in partnership to maximise opportunities to promote our regions and ensure we make a positive impact on regional tourism and ultimately the community.

Through tourism, we're leading the way to diversify our economy - creating thousands of new jobs and new businesses along the way. That means future generations will have the chance to stay and work in this great state of ours.

Since the development of the South Australian Tourism Plan 2020 and the inclusion of tourism as an economic priority for the state, we have seen the creation of 4,000 new jobs in tourism. This is well above the national average making South Australia the best performing state in Australia (see infographic on page 4).

Overseas visitors from existing and new markets are rising rapidly - many of them looking for unique experiences and warm hospitality that our fantastic South Australian operators provide.

Countries like China are a once in a lifetime opportunity for our state that cannot be overstated. Projections indicate that by 2020 we could see 57,000 Chinese visitors coming to South Australia each year with expenditure of \$450 million. That's an extra \$250 million into our economy - annually - from just one of our key markets. However, the China opportunity extends far beyond tourism, and covers other critical growth areas like education, business investment and increased export opportunities, all critical for our state. We are also delighted that the work initiated over many years will reach fruition with the announcement of daily flights by China Southern Airlines to Adelaide starting in December 2016.

# CHAIR'S REVIEW

To take advantage of this opportunity we are working to ensure that we are well placed to deliver exceptional products and services to the Chinese market. We are rolling out the Understanding China development project which has included running a series of workshops to industry and associations across the state to ensure we are ready to embrace and maximize the predicted increase in visitors from China.

The launch of the new Qatar Airways flights to Adelaide and an increasing number of international cruise ships adding Adelaide as a port of call, are also helping to bring more people to our shores from all over the world.

During 2015-16 the SATC expanded with the integration of the former South Australian Motor Sport Board (SAMSB) into the agency. This occurred as part of large scale reform of the State Government's 429 boards and committees. The Motor Sport Group (TMSG) is now an operational group under the SATC and is dedicated to the delivery of motor sport events, including the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge. Major events such as these culminate in significant economic impact and we are delighted to have TMSG on board.

*Through tourism, we're leading the way to diversify our economy - creating thousands of new jobs and new businesses along the way.*

There have also been some changes to the SATC Board. We farewelled Kris Lloyd, Andrew Bullock, Brian Hayes OC, Jan Turbill and our Chair, Jane Jeffreys. I would like to thank our former Board members for their contribution and the role they have played in growing tourism in South Australia. We also welcomed Fiona Hele, Andy Ford, Julie Smith, Jo Collins and Jayne Bates and look forward to continuing to work with them over the coming year.

As a state, we have a great opportunity and the right investment and resources to show the world our amazing abundance of natural wonders, world class food and wine, unique South Australian experiences and our friendly dispositions. The SATC is committed to growing the visitor economy and playing a vital role in the economic transformation of South Australia. It's been a busy year packed with great results for the tourism industry and I'm challenging all South Australians to look positively to the future and embrace the myriad opportunities from continuing growth in the visitor economy.

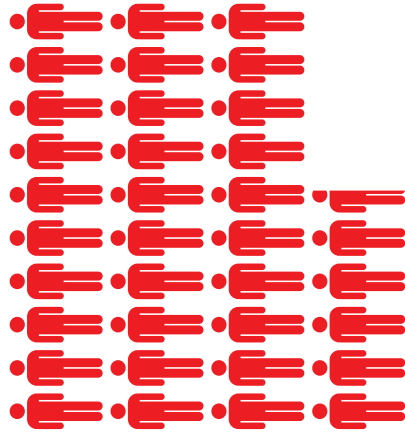


SEAN KEENIHAN

Chair

South Australian Tourism Commission.

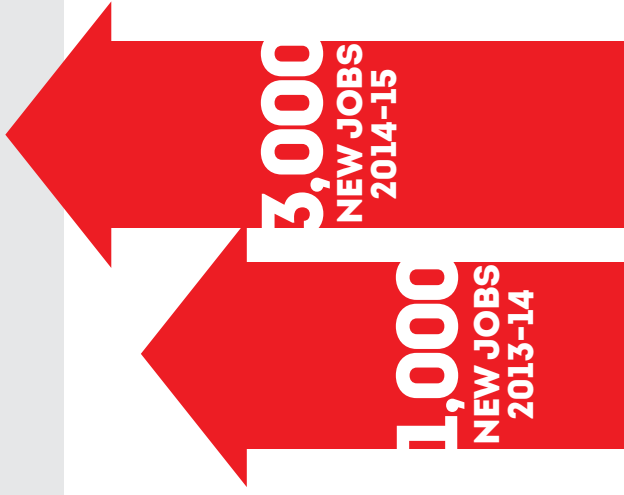
# 4,000 NEW TOURISM JOBS



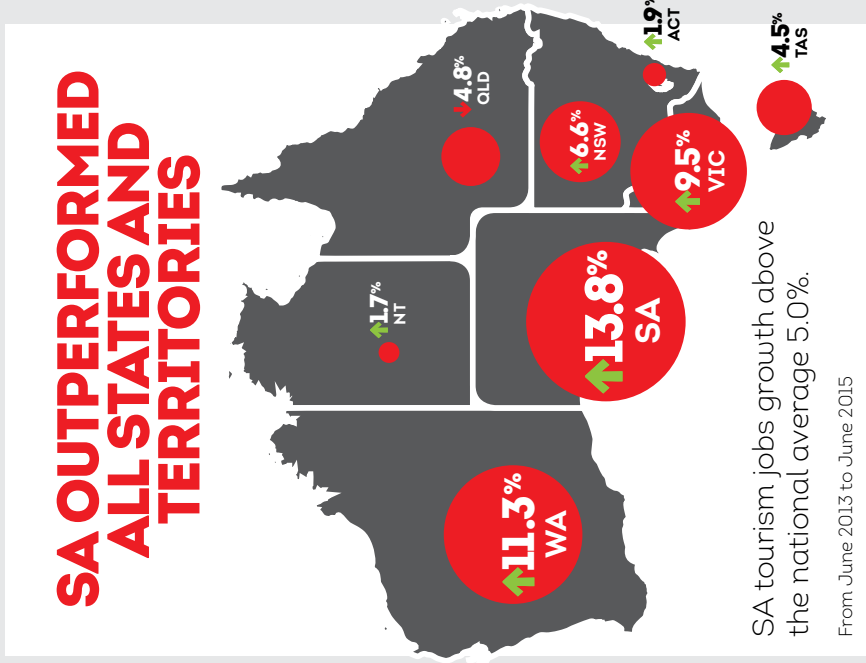
## 35,700 TOURISM JOBS

### TOURISM JOBS

Tourism now employs almost 3 times more than the mining sector.



Tourism has grown by 4,000 new jobs since the *South Australian Tourism Plan 2020* and The Premier's *Economic Priority 5 (Tourism)* were set.





# CHIEF EXECUTIVE'S REPORT

It's been an exciting time for the SATC. We've seen record growth in our domestic and international markets, bringing us closer to our objective: achieving \$8 billion in tourism expenditure potential and 10,000 additional jobs by 2020.

Tourism is a key economic driver. Currently worth \$5.9 billion, the industry supports 17,000 businesses and directly employs 35,700 people. Underpinning this growth is the SATC's continued hard work in 2015-16 in building a resilient tourism industry. Our annual report outlines how we have done this.

The SATC has implemented a new organisational structure to ensure we have a strong strategic framework in place to be able to grow the visitor economy in South Australia. This restructure has put us in an even better position to deliver our priorities under the South Australian Tourism Plan 2020.

On 1 July 2015 we welcomed the former South Australian Motor Sport Board into the SATC as an operational group, retaining its focus and structure as The Motor Sport Group (TMSG).

The SATC now includes the following business units: Marketing, Destination Development, Events South Australia, Corporate Affairs, TMSG and Finance and Business Services.

## Progress to 2020

Just three years into the state's 2020 plan and we are seeing unprecedented results and unparalleled growth in international and domestic markets.

Internationally, South Australia received 422,000 visits from June 2015 to June 2016, an increase of 9.5% which was an all-time high. This contributed \$944 million in expenditure, an increase of \$170 million or 22% on the previous year. While domestically, our state attracted a record 6.06 million domestic overnight visits, up 7.7%. Total domestic expenditure in South Australia also increased to \$5.0 billion, growing by \$439 million (9.6%) since June 2015.

These numbers tell the story of a growing tourism sector which is on track to reach its 2020 full potential (\$8 billion in expenditure and 10,000 additional jobs).

## International marketing

We initiated more than 90 international campaigns to increase awareness and consumer demand for South Australia across Asia, South East Asia (including India), Europe, America and New Zealand. Examples include a partnership with National Geographic to promote

South Australian content to the North American market and the Curious by Nature advertising campaign which focussed on enticing New Zealand travellers to our state.

Marketing destinations through deliberate and strategic partnerships is critical. That is why we have collaborated with a range of partners, such as operators, retailers, travel trade partners and airlines.

The SATC's relationship with key partner, Tourism Australia, has seen South Australia promoted widely as a tourism destination of choice overseas. The global Aquatic and Coastal campaign shone a light on our unspoilt nature, food and wine, luxury experiences as well as our spectacular wildlife encounters. While the South Australian episode of Running Man, the number one prime time Chinese variety program, received 200 million views on TV and 236 million views online.

## Domestic marketing

Australian households could have been excused for thinking national TV programs were fixated on South Australia. The Project (Channel 10) and The Today Show (Channel 9) broadcasted live from Adelaide and our regions promoting our world class experiences and events, such as the Fringe and WOMADelaide to millions across the nation.

The SATC also partnered with Virgin Australia on a significant campaign which included placing content in Virgin Australia's inflight entertainment system and inflight magazine, and outdoor, digital, and airport advertising in key national markets. Two television episodes were also filmed with Network 7's The Long Weekender (in conjunction with Virgin Australia) and Channel 9's Getaway Travel Show (in conjunction with Scenic Tours). Results for South Australia included 16% growth in passengers, 12% growth in bookings and 21% growth in room night's year on year.

## Events

Our events offer a prime opportunity to get to know the essence of South Australia and the spirit of our people, our culture and our regions. The economic impact delivered by key events in South Australia has increased by \$62 million (22%) to reach \$341 million in June 2016.



# CHIEF EXECUTIVE'S REPORT

Key highlights included the Santos Tour Down Under which saw over 795,000 people line the streets of Adelaide and the regions, injecting more than \$49 million into the economy and generating over 600 jobs.

Meanwhile, the Clipsal 500 Adelaide recorded its highest economic impact of \$65.6 million with 263,500 people attending the event.

We successfully relaunched the Adelaide Fashion Festival showcasing our state's attributes in fashion and design.

Not only is this helping our local fashion industry to expand internationally – particularly to Asia, it is further deepening our relationship with our Sister State Shandong.

The major Leisure Events Bid Fund has now secured 15 events, which will inject over \$60 million into the state's economy. Likewise, additional funding has helped to secure 41 major conventions, welcoming more than 44,000 delegates to Adelaide and generating \$214 million in estimated economic benefit.

Major events, both leisure and business, not only display our state as a unique destination, they attract visitors, spectators and event participants as well as create jobs, increase spend and lengthen the time visitors stay.

## Cruise ship season

The 2015-16 cruise ship season was a success with a record number of visits. Our state enjoyed 37 cruise ship visits with a total capacity of almost 90,000 passengers and crew. Next year is going to be even bigger with a record 52 cruise ship visits expected to our ports – exceeding the State Government's 2020 target three years early. This demonstrates our state's growing popularity as a must visit cruise destination.

## Qatar Airways and China Southern Airlines

Improvement in air access will be the single largest driver of visitation to South Australia. In May 2016 we welcomed Qatar Airways to Adelaide commencing daily flights. This will generate over \$40 million for the economy, over 200 jobs and provide the capacity to deliver up to 80 tonnes of cargo space a week.

*Just three years into the state's 2020 plan and we are seeing unprecedented results and unparalleled growth in international and domestic markets.*

Access between mainland China and Adelaide will soon be a reality with the announcement that China Southern Airlines will be commencing three direct flights per week in December 2016. The service between Adelaide and Guangzhou will generate an estimated \$23.4 million into South Australia's visitor economy, creating more than 135 jobs across the state. The benefits of the direct flight will have a huge economic impact on trade, with the service estimated

to generate \$22 million into our state, also creating further jobs. The tourism and trade opportunity is estimated at \$45.4 million.

## Looking ahead

We look forward to continuing to grow the visitor economy through working with industry, our regions, our partners across State and Local Government, Festivals Adelaide, and importantly, the broader community.

We recently launched our new global campaign which will play an important role in encouraging interstate, intrastate and international visitors to South Australia in the year ahead. Building on the success of previous SATC campaigns, the new campaign plays on South Australia's strengths. With 17 variants, each advertisement focuses on a particular region to showcase Adelaide and South Australia while providing a real local flavour including culinary personalities and clothing from South Australian fashion labels.

We have achieved a lot this year but there is still more to be done. To this end we will continue to deliver real economic benefits by promoting confidence and pride amongst South Australians, helping to deliver on the principle of a vibrant city and establishing our state as a destination choice for international and domestic travellers.



RODNEY HARREX

Chief Executive

South Australian Tourism Commission

# Additional Tourism Funding Impact 2015/16

# REPORT CARD

INTERNATIONAL EXPENDITURE GROWTH\*  
**▲22% (\$170M)**  
**TOTAL \$944M**

NORTH AMERICA EXPENDITURE  
**▲16%**

CHINA EXPENDITURE  
**▲18%**

EUROPE EXPENDITURE  
**▲15%**

**\$35M**  
 OVER TWO YEARS



**\$214M**  
 ESTIMATED ECONOMIC BENEFIT  
**41 EVENTS SECURED**

**\$6M**  
 DOMESTIC MARKETING



DOMESTIC EXPENDITURE GROWTH\*  
**▲9.6% (\$439M)**  
**TOTAL \$5.0B**

**\$65M**  
 ESTIMATED ECONOMIC BENEFIT  
**15 EVENTS SECURED**

**\$8M**  
 OVER FOUR YEARS



**\$49.6M** ESTIMATED ECONOMIC BENEFIT  
 SANTOS WOMEN'S TOUR  
**96 RIDERS**  
 BUPA FAMILY RIDE  
**448 RIDERS**  
 SPLIT FEED TV BROADCAST FOR DOMESTIC AND INTERNATIONAL VIEWERS  
 POTENTIAL REACH  
**1.1B VIEWERS**



**5000** TICKETED ATTENDANCES  
 ESTIMATED PUBLICITY VALUE  
**\$11.1M**  
 POTENTIAL REACH  
**19M PEOPLE**



**WWW.TOURISM.SA.GOV.AU**

\* Comparing June 2015 to June 2016.  
 Source: International and National Visitor Surveys, Tourism Research Australia, SA Year End June 2016



# SATC BOARD

The SATC Board is the governing body of the SATC and was established under the South Australian Tourism Commission Act 1993.

The Board has overall responsibility for:

- Planning the strategic direction of the SATC
- Monitoring the achievement of goals
- Maintaining strong partnerships with the South Australian tourism industry
- Ensuring sound corporate governance

The 2015-16 Performance Agreement between the Board and the Minister for Tourism lists six strategic priorities to work towards the 2020 targets to realise the tourism industry's full potential.

## PRIORITY 1: DRIVING DEMAND

Utilise the additional government investment for international and domestic marketing to drive the achievement of the 2020 tourism industry potential.

Responsible Unit: Marketing

### Domestic

In 2015-16, the SATC partnered with domestic travel partners to market South Australia. The key investment partners were Virgin Australia Airlines and Virgin Australia Holidays which helped leverage South Australian holidays across multiple platforms, including:

- Placements in Virgin Australia's inflight magazine, *Voyeur*
- Content on its inflight entertainment system ("Adelaide. Breathe" television commercial, Through Local Eyes videos and other SATC content)
- Outdoor advertising (bus shelters, and general outdoor posters)
- Digital advertising
- Airport advertising (across Sydney, Melbourne, Brisbane and Perth including aerobridges)



Adelaide Bar

- Virgin Australia Lounge 'Happy Hours' (Sydney and Melbourne Friday afternoon lounge promotions exclusive to South Australia).
- The campaign with Virgin Australia also included the filming of two television episodes: Network 7's *The Long Weekender* (in conjunction with Virgin Australia) and Channel 9's *Getaway Travel Show* (in conjunction with Scenic Tours).

Results: According to Virgin Australia, there was a 16% growth in passengers, 12% growth in bookings and 21% growth in room nights year on year. The campaign resulted in \$7 million in campaign destination impact for South Australia.

The SATC also ran a "Mad March/Grand Prix" online digital campaign in Sydney and Melbourne, creating awareness of Adelaide and the city's fantastic events and festivals running from February to March 2016.

# SATC BOARD

## International

Internationally, the additional government investment was divided between South Australia's key markets of China, Southeast Asia (Singapore, Malaysia), India, The UK, New Zealand and North America. The investment supported a variety of marketing activities and campaigns with an emphasis on consumer direct campaigns using digital platforms including Facebook and Instagram, and extending into digital marketing platforms and display advertising. International visitation was up 9.5% and expenditure up 22% for the year ending June 2016.

**Influence brand perceptions, awareness, consideration and intention of the interstate target market via marketing campaigns and public relations activities that build brand and encourage visitation through retail distribution partners and via traditional and digital mechanisms.**

Responsible Unit: Marketing

The SATC has undertaken a range of international, domestic and intrastate marketing, brand and PR campaigns to highlight South Australia's tourism products and experiences.

## Marketing

In the domestic market, direct-to-consumer activities predominantly focused on Adelaide and the Barossa. The Adelaide. Let Yourself Go. campaign's primary objective was to create awareness of Adelaide (including greater Adelaide – the Adelaide Hills, the Barossa and the Fleurieu Peninsula) as tourism destinations and increase positive perceptions of Adelaide, with food and wine and arts and festivals as key strengths. These campaigns also contributed to South Australia's Vibrant Adelaide initiative.

In, 2015-16, this campaign targeted Sydney, Melbourne and Brisbane and showcased the city through free to air TV, cinema, digital and outdoor advertising. Travel partners included Virgin Australia, Expedia and Webjet at different times throughout the campaign to encourage bookings to South Australia through direct linkage and click throughs onto SATC partner websites or onto campaign landing pages on <[www.southaustralia.com](http://www.southaustralia.com)>.

The SATC also continued the renowned "Barossa. Be Consumed" campaign that positioned the Barossa as a leading food and wine destination. Sydney, Melbourne and Brisbane were targeted in 2015-16 through cinema advertising. This included the national sponsorship of outdoor Moonlight Cinemas. Qantas was the travel partner for the duration of this campaign to encourage bookings.

In 2015-16, the SATC also embarked on a media first – an online content creation and distribution project called Network SA. The SATC partnered with Fairfax Media to produce more than 200 pieces of content (articles, 'top ten' lists, videos and image galleries) and distribute them across Fairfax's extensive online network (more than 40 websites and social media platforms). This content was served to consumers in Sydney, Melbourne and Brisbane based on their personal interests and online behaviour. All content included flight/accommodation offers from Virgin Australia Holidays. The project saw the SATC tell more detailed stories about what there is to do in Adelaide and across all South Australian regions, further supporting the Adelaide and Barossa campaigns. Where appropriate, the Network SA stories were also published on <[www.southaustralia.com](http://www.southaustralia.com)>. Total page views to date have exceeded one million.

The SATC also executed a number of digital campaigns to promote the city during times of high national exposure. The lead up to Mad March included when Adelaide United played the Western Sydney Wanderers in the soccer grand final, the first day night cricket match between Australia and New Zealand and the T20 Australia Day match against India at Adelaide Oval. These campaigns targeted people that identified an interest in traveling for sport or art events in Sydney and Melbourne. The interstate travellers were directed to dedicated landing pages on <[www.southaustralia.com](http://www.southaustralia.com)> through targeted digital advertising.

## Public Relations

As part of the SATC's public relations strategy, the SATC engaged with high-profile national television programs to increase awareness of South Australia. This included securing a week-long broadcast of Channel Ten's The Project, in addition to several visits of The Today Show panel during their "We Love Australia" campaign. Several segments on Channel Nine's travel program, Postcards, also featured key experiences and accommodation options across South Australia.

Media coverage generated by the SATC domestic public relations activities (including familiarisation tours – famils) is valued at an estimated advertising space rate of \$23.8 million with a potential cumulative reach of 260 million (July 2015 to June 2016).

The commission also welcomed 845 media and trade guests to South Australia. This accounts for 184 individual famils coordinated by the commission as recorded through the SATC's Familiarisation Data Management system.

**Continue intrastate marketing and public relations activities to increase consideration and visitation by South Australians within South Australia's 11 regions, via traditional and digital mechanisms.**

Responsible Unit: Marketing

The SATC continued to support South Aussie with Cosi, the SA Life Magazine and the 891 ABC Drive program segment Off the Beaten Track with Ron Kandelaars to promote tourism within the state.

In the intrastate market, the SATC continued the Best Backyard campaign, which was executed across a number of platforms, including television, print, editorial and online. All South Australian regions were represented in the campaign and a new television commercial was introduced for the Limestone Coast.

The SATC partnered with <www.stayz.com.au> in 2015-16 to help grow visitation. Stayz is a good fit for the South Australian market as it contracts local holiday homes for rental bookings. The SATC partnered with SeaLink as a call to action on the Kangaroo Island Best Backyard television commercial to encourage all South Australians to see more of their state. SeaLink has since reported a strong increase in bookings and sales.

Media placement took place on metropolitan television and regional television (including the western districts of Victoria) during high rating programs such as the Molly miniseries, My Kitchen Rules, The Voice, AFL (Crows and Port games) and House Rules.

In 2015-16, the SATC undertook a continuous commitment to cinema advertising, with all 11 regions on air throughout the course of the year.

Digitally, Facebook was the preferred platform with an emphasis on promoting drive holidays through Touring Routes.

The SATC worked with the 11 regions by cooperatively funding marketing activity specific for each region. 30 projects were jointly funded across a wide range of region specific initiatives.

In May 2016, the breakfast crew from Hit 107 broadcasted live from the Murray River travelling from Renmark to Murray Bridge for an outside broadcast of the radio program for a week. The coverage from this activity resulted in an estimated advertising space rate equivalent of \$39,234 with a potential audience reach 1,054,000.

**Deliver brand, tactical marketing and public relations activities, in priority international countries and leverage this with partners using traditional and digital mechanisms.**

Responsible Unit: Marketing

Media coverage generated by the SATC's international public relations activities (including famils) is valued at an estimated advertising space rate of \$62.8 million with a potential cumulative reach of 11.5 billion (July 2015 to end June 2016).

The SATC facilitated a variety of public relations campaigns with the objective of raising awareness of South Australia as a holiday destination. Key activities within the eastern markets of China and Hong Kong included collaboration with Tourism Australia in securing the filming of Chinese number one variety show Running Man. The South Australian episode received 200 million views on TV and 236 million views online, successfully raising the profile of Adelaide and its state tourism products to Chinese consumers.

Within the Hong Kong market, the SATC invited celebrity influencer Vincci Cheuk Wan Chi G ('G') and her grandmother to travel to South Australia's key tourism regions - Adelaide, the Barossa and Kangaroo Island. 'G' was chosen due to her strong social media following - over 150,000 on Facebook, 18,500 on Instagram and 137,000 on Weibo.

Accompanied by a Hong Kong video production team, three videos and a 'teaser' were created and published on 'G's Facebook page, online and on YouTube, sharing her adventures with Hong Kong travellers. In conjunction, the SATC partnered with a Hong Kong travel agency to develop South Australian travel packages to stimulate bookings during the campaign period.

**Provide targeted, brand-aligned, user friendly content and images to help get shared messages out more strongly across our target markets and via multiple digital platforms including mobile, tablet and desktop.**

Responsible Unit: Marketing

In 2015-16, the SATC partnered with TripAdvisor to create content on its consumer review website, across multiple South Australian pages. The content produced by Fairfax for the SATC's Network SA project was made available to publish on the SATC's digital platforms and

# SATC BOARD

share through social media, also enabling regions to leverage the content through their own channels.

Internationally, brand-aligned content was specifically created to suit each regional market (i.e. China, Southeast Asia, the UK and Central Europe). Additionally, the distribution of this content was tailored to suit different market behaviour with the aim of increasing engagement and exposure.

The content produced for the digital Qatar Airways campaign was published on <www.southaustralia.com> and shared throughout multiple international social media platforms. This gave the SATC strong insights into the UK and Central Europe's online social engagement behaviour.

The Digital unit redeveloped the Tasting Australia website in-house. Designs provided by the event's creative agency were developed into the Sitecore content management system. The Tour Down Under website design was also updated with the new event look and feel. The consumer website <www.southaustralia.com> was redesigned to be mobile friendly and display personalised content to people in Australia and across nine international regions. The redevelopment and redesign of all three websites now enables a consistent, user friendly experience that can be used across various digital platforms.

## PRIORITY 2: WORKING BETTER TOGETHER

**Leverage third party brand equity to further distribute South Australia's key marketing messages to all visitors through a wide range of partners.**

Responsible Unit: Marketing

The SATC conducted 15 campaigns with 12 cooperative partners promoting Adelaide and South Australia to consumers nationally.

The SATC also ran numerous cooperative campaigns in its key international markets. An aquatic and coastal theme was applied to eastern markets while a focus on South Australia's regions and self-drive was applied to central Europe, namely Germany.

**Implement the updated Destination Action Plans and actively partner with each region to deliver Tourism 2020 outcomes.**

Responsible Unit: Destination Development

Triennial Destination Action Plans (DAPs) covering 2015-17 were updated for all regions during 2015. All DAPs were structured to reflect the framework of the State Tourism Plan and Tourism 2020 outcomes.

The SATC held DAP implementation meetings with nine Regional Tourism Organisations (RTOs). Two implementation meetings (Limestone Coast and Murray River, Lakes and Coorong) were held in abeyance while new regional governance arrangements were bedding down. Executive members attended all implementation meetings and RTOs appreciated this high level of engagement.

Key areas of interaction included:

- Closely engaging with RTOs on the development of touring routes.
- Closer engagement with the Visitor Information Centres (VICs) network via sponsorship of its annual conference with a specified focus on getting VICs to engage with touring routes.
- The VIC accreditation process, contracted to the South Australian Tourism Industry Council, was also revitalised with a view to using it as a change management spur for VICs.
- Funding each RTO \$30,600 under the Local Contact Person agreement and providing up to \$20,000 per RTO for cooperative marketing initiatives on a dollar for dollar basis.

## PRIORITY 3: SUPPORTING WHAT WE HAVE

**Work with partners on maintaining and increasing access to and within South Australia, including through joint marketing initiatives.**

Responsible Unit: Marketing/Destination Development

The SATC worked closely with international airline partners, including Singapore Airlines and Malaysia Airlines, to promote South Australia as a holiday destination. It also worked closely with carriers and Adelaide Airport Limited.

In 2015-16, the SATC worked in collaboration with Qatar Airways and Tourism Australia through its Aquatic and Coastal Campaign. Qatar Airways was used as the key call to action and destination partner, primarily through a digital campaign in Western Europe (e.g. Germany, France, UK and Italy). A dedicated Qatar Airways landing page provided information on South Australia and what to do when visiting.

Within the Indian market, the SATC and Singapore Airlines embarked on a print and digital media campaign with the aim of including Adelaide in all Indian visits to Australia. The campaign yielded extremely positive results with August 2015 displaying an increase of 63% in bookings to Adelaide compared to the same time in 2014.

Within the Malaysian market, the SATC partnered with Enrich (frequent flyer program) by Malaysia Airlines in order to showcase Adelaide as the lifestyle capital of Australia through the key themes of Australian nature, food and wine, aquatic and coastal and city experiences.

The campaign targeted Enrich's millennial segment, frequent flyers between the ages of 28-35 years and selected three couples from this group to bring to Adelaide and South Australia. The experiences of the chosen couples showcased Adelaide as a key leisure destination and emphasised Malaysia Airlines as the sole premium carrier to the destination from Malaysia. The program is in its final editing stages and is due to go live in September 2016.

The SATC worked closely with Adelaide Airport Limited to secure the growth of international and domestic flights to Adelaide. It also maintained close relationships with each of the international airlines that operate to Adelaide. Key achievements in 2015-16 include:

- Qatar Airways commenced daily flights to Adelaide in May 2016 which led to a total of 47 international flights per week into Adelaide.
- A Memorandum of Understanding was signed with China Southern Airlines in April 2016 which paved the way for direct flights.
- New domestic flights commenced from Avalon in March and flights from the Sunshine Coast have been announced, commencing in September 2016.
- In December 2015 Kingscote Airport (Kangaroo Island) received a funding commitment to upgrade the airport infrastructure. This will allow larger aircraft to access the Island and will lead to direct flights from interstate airports such as Sydney and Melbourne. The airport is due for completion in mid 2017.

There were 37 cruise ship visits to South Australian ports with a total capacity of up to 89,000 passengers and crew. This included 23 visits to the Port Adelaide Passenger Terminal, ten visits to Penneshaw (Kangaroo Island) and four visits to Port Lincoln.

**Work with Regional Tourism Organisations through the three-year funding agreement, as well as industry and other key players to better connect our tourism industry.**

**Responsible Unit: Destination Development**

The SATC managed the Local Contact Person agreements with all regions to ensure the delivery of ongoing, expert regional advice and assistance to the SATC and stronger communication between RTOs and local government.

The SATC provided assistance to tourism operators, focusing on experiences with an international appeal to increase their capabilities to succeed in a competitive global market. This assistance included the provision of advice, the facilitation of industry partnerships, relationship development and engagement with distribution channels.

## **PRIORITY 4: INCREASING THE RECOGNITION OF THE VALUE OF TOURISM**

**Build on the current strong research program and make evidence based information available to increase the understanding of the value and relevance of tourism to our stakeholders.**

**Responsible Unit: Corporate Affairs**

In 2015-16, the SATC increased the availability and depth of tourism research, increasing its publications to more than 70 reports for use by the South Australian tourism industry (an increase from approximately 50 in 2014-15). In addition to the ongoing reports on visitor data, the SATC published Regional Tourism Satellite Accounts for the first time in August 2015, quantifying a regional perspective on jobs and Gross Regional Product in each of South Australia's tourism regions.

The SATC has also released a series of infographics to illustrate the national and international performance of the industry. These resources have been widely distributed.

## **PRIORITY 5: USING EVENTS TO GROW VISITATION**

**Utilise the additional government funding in the Major Events Bid Fund to secure and sponsor new leisure events, in conjunction with partners, to build a balanced calendar of events that grow visitation and support business and create employment opportunities for the state.**

**Responsible Unit: Events South Australia**

In 2015-16, five events were secured through the Events Bid Fund, with 15 events secured in total. These events are forecast to inject more than \$65 million to the South Australian economy.

Examples of the events secured through the Events Bid Fund include:

- **The 2017 Pacific School Games** – this announcement was made at the conclusion of the 2015 Pacific School Games event, which was held in Adelaide (21-29 November 2015), the Games attracted 8,900 participants, officials and spectators and had an estimated economic impact of \$13 million.

# SATC BOARD

- **The 2016-18 ISPS Handa Women's Australian Open Golf Tournament** – a record 31,000 spectators attended the 2016 Open at Grange Golf Course (18-21 February 2016). Golf Australia reported the event delivered an estimated \$6.5 million in economic benefit to South Australia.
- **Socceroos v Tajikistan Football Match** – this 2018 FIFA World Cup Qualifier was held at Adelaide Oval on 24 March 2016 and attracted a crowd of more than 35,000.

**Invest the additional government funding for the Santos Tour Down Under to ensure the event retains its place as Australia's premier cycling race and festival, and increases the economic and tourism benefits to the state.**

Responsible Unit: Events South Australia

The 2016 Santos Tour Down Under had an economic impact of \$49.6 million and an overall attendance of 795,000 with 39,000 people travelling from interstate and overseas specifically to attend. The media coverage received for the 2016 event generated a PR value of \$258 million.

The Santos Women's Tour was elevated to a Union Cycliste Internationale 2.2 race and included international teams from Norway, the United States, the United Kingdom and New Zealand. This activity, as well as additional marketing activity nationally and internationally, a split feed broadcast (which enabled the domestic broadcast to be tailored to a local audience), the addition of a second Ladies Day on Tour, the Shut Up Down Under team in the Bupa Challenge Tour (lead by event ambassador, Jens Voigt), the Bupa Family Ride and Norton Summit Time Trial were introduced as a result of the additional government funding provided.

**Manage the Adelaide Fashion Festival, using the event to promote South Australia to targeted domestic and international markets, which includes Asia (China focus initially) and drive further growth in the state's local fashion and creative industries.**

Responsible Unit: Events South Australia

The 2015 Adelaide Fashion Festival attracted approximately 5,000 attendees and an estimated 10,000 more at satellite events staged in Unley, Norwood and Glenelg. Emerging and established designers were showcased, including Australian Fashion Labels, Paolo Sebastian, Sally Phillips, Tiff Manuel and Lisa Emanuele.

Media coverage generated in Australia had an estimated PR value of \$11.1 million with a total reach of 19.46 million people.

International and national media attended including a delegation of fashion media from Qingdao and Beijing, Vogue Australia, Australian Women's Weekly and a number of bloggers.

Throughout 2015-16, a relationship was formed with the China International (Qingdao) Fashion Festival which included representation and fashion parades at each other's festivals. In addition, trade missions to Indonesia and China were attended by South Australian designers led by Adelaide Fashion Festival representatives. Leading designer, Paolo Sebastian presented his collection in Paris in July 2016 during (but not as part of) Paris Haute Couture Fashion Week.

**Focus sponsorships, including those targeted through the expanded Events Bid Fund, on core strength areas such as arts and culture, food and wine, sport and mass participation, with a particular focus on off-peak periods and utilising key infrastructure.**

Responsible Unit: Events South Australia

In 2015-16 Events South Australia supported more than 44 events -these included events secured through the Events Bid Fund, annual ongoing events and events supported through the Regional Events and Festivals Program.

Sponsored events included:

- The Liverpool Football Club v Adelaide United soccer game: this exhibition match at Adelaide Oval in July 2015 was sold out with 53,000 attending, which included more than 18,100 people from interstate. This resulted in a direct economic impact to the state of \$11.04 million and a total Advertisement Equivalent Value (AEV) of approximately £40,596,044.
- The 2016 Hancock Prospecting Australian Swimming Championships: also the selection trials for the 2016 Olympic Games in Rio. Adelaide previously held the 2012 Olympic selection trials. This is the first time these events have been held back-to-back outside of Sydney since the 2000 Olympic Games.
- WOMAdelaide 2016 was held in Botanic Park from 11-14 March. The event had a record attendance of more than 95,000 attendees and delivered more than \$15 million in economic impact.



## Develop the capacity building program for major, regional and local/ community events and festivals across the state.

Responsible Unit: Events South Australia

Events South Australia ran five event industry workshops in 2015-16, including:

- The Regional Events and Festivals Program workshop took place on 24 August 2015 and targeted the up-skilling of successful proponents of the Regional Events and Festivals Program. A total of 25 event representatives learnt about strategic planning, promotion, packaging, sponsorship, operations and volunteer management.
- Adelaide, 7 September 2015: 45 events industry members from Adelaide and surrounding regions learnt about event promotion, collaboration and event concept evolution.

Workshops were also held in the Flinders Ranges, Yorke Peninsula and the Outback. Key topics included opportunities for new and existing events, funding and promotional opportunities, sponsorship, operations and evaluation of events.

Events South Australia also presented at the Riverland events forum coordinated by Destination Riverland.

## Increase awareness and consideration of South Australian hero events, through collaborative marketing, public relations and partnerships to trigger visitation.

Responsible Unit: Events South Australia and TMSG

As part of the sponsorship of the Liverpool FC (LFC) 2015 Tour, the SATC ran a global competition using the extensive online and social media platforms of LFC. More than 15,000 people from 145 countries entered the Ultimate Away Goal competition. The winner, from Finland, received two flights from Finland to South Australia, five nights accommodation, and a trip to Kangaroo Island and the Barossa. The competition created incredible interest in South Australia from all over the world.

As part of the sponsorship of the 2015 Feast Festival, the events team specifically assisted in attracting and marketing the appearance of Conchita Wurst - internationally acclaimed singer and 2014 Eurovision song contest winner. The marketing support was designed to attract interest and was used to promote a social media competition highlighting Adelaide, the Barossa and Fleurieu Peninsula. Conchita undertook a range of promotional and tourism activities and promoted the visit via her extensive social media reach. The 2015 Feast Festival earned \$1.7 million in estimated media value.

The SATC provided marketing support to the state's biggest festivals through marketing activity, support for ambassadors such as Julian Clary and a cooperative

promotion through the Guardian UK in conjunction with the Adelaide Festival, Adelaide Fringe and WOMADelaide.

Through TMSG's partnership with Supercars Australia, the 2016 Clipsal 500 Adelaide was broadcast to 87 countries with an estimated reach of 233.65 million households, creating incredible global exposure for Adelaide as the destination of the event.

In the lead up to the 2016 event, TMSG produced a tourism specific Clipsal 500 Adelaide television commercial that aired interstate and in New Zealand. The commercial featured snapshot images of iconic Adelaide locations, such as Glenelg, city eateries and skyline photos in between race footage shot at the previous Clipsal 500 Adelaide event.

TMSG continued to work with selected travel partners who sell travel packages to the event, with options for pre and post-event touring included. TMSG also supports corporate rewards program "Club Clipsal" run by Naming Rights Sponsor, Clipsal by Schneider Electric, which brings guests from all over Australia to the event. The 2016 event saw a 4.3% increase in the number of visitors that attended the event.

The Bridgestone World Solar Challenge has become the world's biggest innovation challenge centred around developing solar powered electric vehicles and sustainable technology. The 2015 event attracted 1,500 participants with a global community reach of over 5 million across more than 40 of the world's top universities.

The Official City of Adelaide Finish Line at Victoria Square saw over 9,500 people visit Adelaide's CBD over four days, including over 2,000 interstate and international visitors.

## Ensure that the additional government funding for the jointly administered Convention Bid Fund is used to win those business events that are identified as best utilising newly completed infrastructure and delivering the highest economic return for the tourism industry. This recognises that increased business events activity will boost expenditure by high value visitors.

Responsible Unit: Corporate Affairs

As part of the 2015-16 State Budget, the SATC received an additional appropriation of \$5 million over two years to secure more national and international business conventions and meetings to Adelaide. Conventions bring a significant number of delegates to Adelaide, delivering a significant economic return to the state and creating job opportunities.

# SATC BOARD

In 2015-16, the Convention Bid Fund helped secure 41 events (so far) to be held between 2016 and 2021. These events combined will bring more than 44,000 delegates, generating \$214 million in future economic benefit and more than 201,000 bed nights.

Leading events themes are Health and Bio Medical, Scientific and Agriculture.

Additionally, there are 29 active bids pending, with a total of more than 36,000 delegates, more than 197,000 bed nights and an estimated economic value of more than \$176 million.

## PRIORITY 6: ORGANISATIONAL EFFECTIVENESS

**The SATC will implement the government's restructure of the SATC, namely integrating the SAMSB into the SATC.**

Responsible Unit: TMSG/ Corporate Affairs/ Finance and Business Services

The process of integrating the former South Australian Motor Sport Board into the SATC was completed by 30 June 2016. This included the integration of various support functions such as finance, information technology, human resources, procurement, contracting, strategic planning, legal and governance processes.

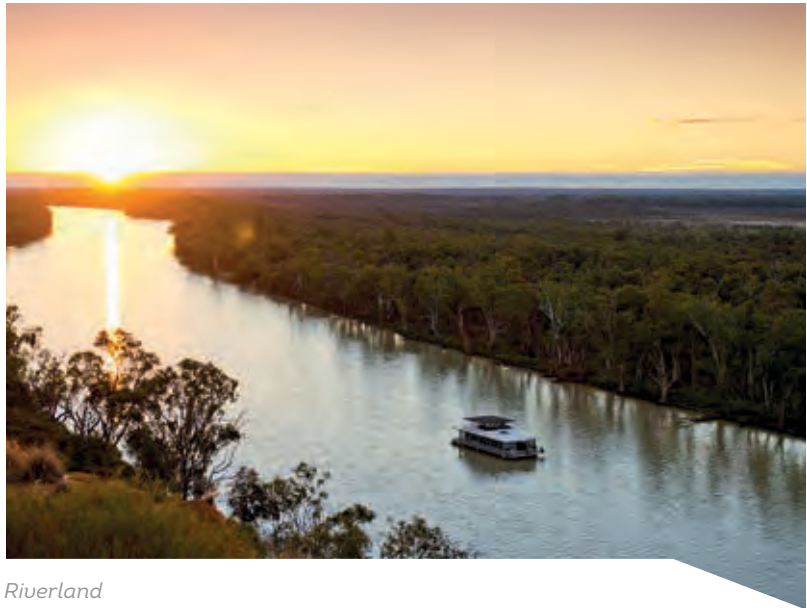
The Motor Sport Group (as it is now known) operates as a group within the SATC dedicated to the delivery of motor sport events, including the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge. The SATC understands motor sport events are complex and is committed to ensuring specialist skills are retained.

**Provide systems and support across all aspects of corporate services to maximise the effective and efficient use of SATC resources and ensure public accountability expectations are met.**

Responsible Unit: Corporate Affairs

In 2015-16, the SATC instigated various processes and practices to ensure it continued to effectively deliver its responsibilities. These included regularly reporting to the Board, the Chief Executive and broader Executive team on subjects pertaining to financial and operational matters.

Likewise, during the financial year a review of the SATC was initiated to review its structure and ensure that it continues to be best placed to meet the challenges of realising the state's tourism industry goals.



Riverland

**Embed a strong planning and performance monitoring approach that links long term planning and outcomes to the daily work of each individual in the office, covering strategic risks as well as operational risks.**

Responsible Unit: Corporate Affairs

The SATC continues its commitment to realising the state's tourism potential by implementing the South Australian Tourism Plan 2020.

Planning with the Board, Executive and key staff helped to highlight key strategies to be undertaken, actions were monitored regularly, and the SATC staff performance framework was connected to the operational strategies to ensure individual accountability.

**Embed organisational values and drive continual improvement through review processes.**

Responsible Unit: Corporate Affairs and Finance and Business Services

The SATC continued to look at ways to enhance its culture and to share information across the organisation via regular staff meetings and forums.

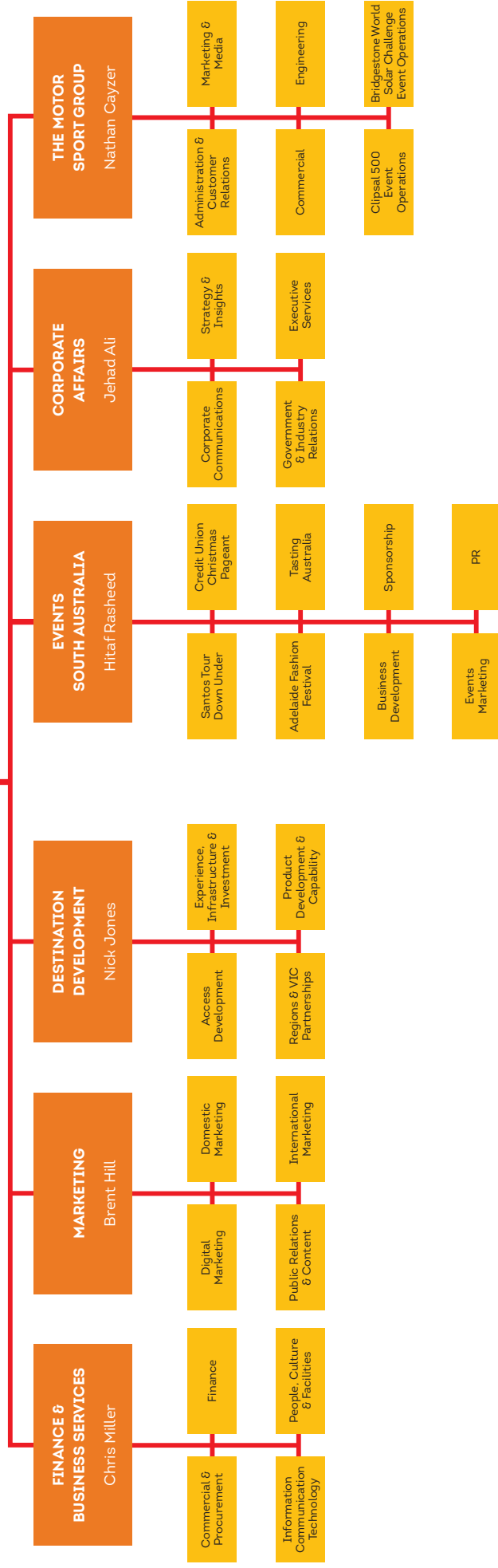
Staff performance reviews were undertaken with more than a 95 per cent completion rate. Performance reviews not only included documented discussions pertaining to operation matters, but also considerations related to cultural expectations.

# ORGANISATION CHART

*Adelaide Hills*

Effective – June 2016

**CHIEF EXECUTIVE**  
Rodney Harrex



# KEY PERFORMANCE INDICATORS



Economic Priority 5: South Australia – a growing destination of choice for international and domestic travellers.

The SATC is responsible for delivering Economic Priority 5. Table 1 outlines how the SATC achieved its short term objectives for 2015 against this priority while Table 2 shows progress made to 30 June 2016 in meeting the medium term objectives for 2017.

# KEY PERFORMANCE INDICATORS

TABLE 1\*

2015 Objectives		Assessment	Comment
EP5: ST1	Consolidate recent rapid growth of direct flights into Adelaide Airport, and look to build relationships to capitalise on new opportunities.	Achieved	The recent loss in inbound air capacity has been balanced by the announcement of Qatar Airways daily flights from May 2016. New opportunities are also being explored. Current seats per week into Adelaide as at October 2015 was 10,000 seats, down from 12,200 seats in October 2013, due to the withdrawal of Air Asia X and reductions from other airlines.
EP5: ST2	Leverage the successful delivery of the 2015 Cricket World Cup to drive awareness of and visitation to Adelaide, while also showcasing the state's ability to host major events.	Achieved	According to Cricket Australia, there was \$80m in visitor expenditure in SA for the Cricket World Cup, with strong crowds at the India vs Pakistan game. Subsequent consumer campaigns by the SATC has helped to build on this momentum, driving growth in Indian visitation, which is up 17% to 15,000 visitors in the year to December 2015.
EP5: ST3	Increase marketing of SA in strategic international markets.	Achieved	The Government is investing an additional \$14 million over 2 years for marketing efforts in China, India, South East Asia, UK, Europe, USA and New Zealand. International visitation is up 10% in the year to December 2015, nights are up 14% and expenditure is up 26%, all above the national averages.
EP5: ST4	Increase the focus on service excellence in the tourism industry.	Not Achieved	The SATC has conducted the following actions around Service Excellence: Fund SATIC to provide a range of services, the Taxi and Chauffeur Vehicle Services Review, Touring Routes information translated into Chinese, Lobbied strongly for vocational Tourism and Hospitality courses to remain on the Work Ready Subsidised Training List, advancements in user experience with southaustralia.com, and proposal to investigate feasibility of provision of public Wi-Fi facilities around SA.
EP5: ST5	Increase marketing of SA in Sydney, Melbourne, and expand into Brisbane.	Achieved	The Government is investing an additional \$6m over 2 years for marketing campaigns to promote Adelaide and regional tourism experiences to the Australian market. Interstate visitors are up 14% and expenditure up 10%. Both are at the highest levels on record.
EP5: ST6	Expand our major events calendar and capability within government.	Achieved	The Government invested an additional \$10m over two years for the Events Bid Fund to attract more world-class events. New events that were held in 2015 included the Liverpool FC vs Adelaide United Match at Adelaide Oval (which attracted 18,100 visitors), Equestrian Games which in conjunction with the Australian International 3 Day event attracted record crowds, Pacific School Games (attracted 8,900 participants, officials and spectators), Southern University Games and the Adelaide Motorsport Festival.  Events attracted in 2015 which were held in 2016 include the Socceroos v Tajikistan FIFA World Cup Qualifier which was played at Adelaide Oval on 24 March. Other events attracted in 2015 which will be held in the future include the ISPS Handa Women's Australian Open 2016-2018. The 2016 event attracted 31,000 spectators over four days.
EP5: ST7	Encourage South Australians to rediscover their own state.	Achieved	Intrastate trips in South Australia have grown 6% in the year to December 2015.
EP5: ST8	Invest in improving the quality and size of the Santos Tour Down Under.	Achieved	The Government significantly increased investment in the TDU - including the Santos Women's Tour, food areas and expanded entertainment - has confirmed the event as the best UCI WorldTour event outside of Europe. The 2016 TDU led to a record \$49.6 million injected into the SA economy. Santos Women's Tour event was raised to UCI status in 2016.

\*All data and information in Table 1 is current as of 2015 and does not reflect changes that have happened since.

# KEY PERFORMANCE INDICATORS

**TABLE 2**

2017 Objectives		Assessment	Comment
EP5: MT1	Increase the value of our tourism sector from \$5.2 billion to \$6.3 billion per annum by June 2017 (on the way to our 2020 target of \$8.0 billion).	On Track	The value of South Australia's tourism sector grew 11.4% to \$5.9b in the year to June 2016.
EP5: MT2	Increase tourism direct employment from 31,000 to 36,000, on the way to our target of 10,000 additional jobs by 2020.	On Track	The latest data has shown direct employment in the tourism sector increased to 35,700 in the year to June 2015.
EP5: MT3	Increase tourism expenditure in regional areas from \$2.3 billion to \$2.8 billion.	On Track	Regional expenditure has grown by 8.6% in the year to June 2016 to \$2.5 billion.
EP5: MT4	Attract two additional major events each year.	<b>Achieved</b>	The Events Bid Fund is fully committed for 2015-16, attracting 15 events worth a projected \$65 million, as well as the Adelaide Fashion Festival.
EP5: MT5	Attract 78,000 conference delegates to the Adelaide Convention Centre, generating 312,000 bed nights.	<b>Achieved</b>	As of June 2016, confirmed bookings at the Adelaide Convention Centre for the period Jan 2015 to June 2016 are 90,894 visitors and 442,132 nights.
EP5: MT6	Establish an international reputation for our premium food and wine experiences.	On Track	South Australia is associated with "Good Food & Wine" by 49% of the interstate audience, second only to Victoria at 57% of their respective interstate audience.
EP5: MT7	Establish at least one new branded, 5-star plus accommodation in the Adelaide CBD.	<b>Achieved</b>	Construction is proposed to start on the 5-star, \$140 million Sofitel hotel in late 2017 with a planned opening in late 2018. The Adelaide Casino redevelopment, including an 80 room luxury hotel, is proposed to begin construction in 2017.
EP5: MT8	Enhance our thriving live music scene.	On Track	The Government is continuing to explore opportunities to enhance live music through the Department of Premier and Cabinet and the Music Development Office.
EP5: MT9	Further enhance South Australia's position as the cycling state.	On Track	The Government is investing \$1.5m to turn Mt Lofty and the surrounding Adelaide Hills into a world-class mountain biking destination. As of October we have become the first state or territory of Australia to introduce a permanent, minimum passing distance when overtaking cyclists. The 2016 Santos Tour Down Under was a success, with economic impact reaching a record \$49.6 million.
EP5: MT10	Develop a reputation for service excellence and unique visitor experiences.	Progress Made	New experiences continue to be developed, including the opening of the Adelaide Oval Roof Climb experience in April 2016, providing 16 jobs and a unique visitor experience at an iconic Adelaide destination.  The SATC has also: continued the funding of SATIC, contributed to the Taxi and Chauffeur Vehicle Services Review, translated Touring Routes information into Chinese, lobbied for vocational Tourism education, improved user experience with southaustralia.com, proposed to investigate public Wi-Fi facilities, secured funding for tourism assets through Austrade's Tourism Demand Driving Infrastructure fund.

# INTERNATIONAL VISITOR SURVEY



June 2016  
**\$944M**  
 ↑ 22% = \$170M  
 ↑ 15% NAT AVG



June 2016  
**422,000**  
 ↑ 9.5%  
 ↑ 10% NAT AVG



INTERNATIONAL EXPENDITURE GROWTH



INTERNATIONAL VISITS GROWTH

WWW.TOURISM.SA.GOV.AU

## INTERNATIONAL VISITOR ORIGIN

**NORTH AMERICA**  
 Visits ↑ 34% 63,000  
 Expenditure ↑ 16% = \$13M  
 Total \$94M

**OTHER COUNTRIES**  
 Visits ↑ 3.5% 15,000  
 Expenditure ↑ 25% = \$7M  
 Total \$35M

Comparing June 2016 to June 2015.  
 \*Figures for Asia include China.



**EUROPE**  
 Visits ↑ 3.5% 167,000  
 Expenditure ↑ 15% = \$28M  
 Total \$221M

**CHINA**  
 Visits ↑ 11% 36,000  
 Expenditure ↑ 18% = \$31M  
 Total \$202M

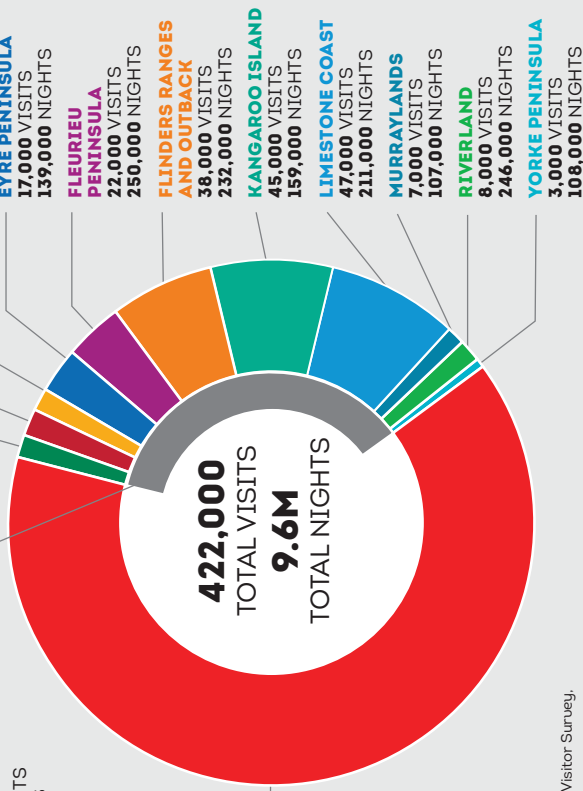
**ASIA\***  
 Visits ↑ 9.5% 137,000  
 Expenditure ↑ 28% = \$117M  
 Total \$541M

**NEW ZEALAND**  
 Visits ↑ 6.4% 40,000  
 Expenditure ↑ 8.6% = \$4M  
 Total \$53M

## INTERNATIONAL VISITS

**REGIONAL SA**  
 147,000 VISITS  
 1.7M NIGHTS

**ADELAIDE**  
 384,000 VISITS  
 8.0M NIGHTS



**ADELAIDE HILLS**  
 7,000 VISITS  
 90,000 NIGHTS

**BAROSSA**  
 11,000 VISITS  
 51,000 NIGHTS

**CLARE VALLEY**  
 7,000 VISITS  
 59,000 NIGHTS

**EYRE PENINSULA**  
 17,000 VISITS  
 139,000 NIGHTS

**FLEURIEU PENINSULA**  
 22,000 VISITS  
 250,000 NIGHTS

**FLINDERS RANGES AND OUTBACK**  
 38,000 VISITS  
 232,000 NIGHTS

**KANGAROO ISLAND**  
 45,000 VISITS  
 159,000 NIGHTS

**LIMESTONE COAST**  
 47,000 VISITS  
 211,000 NIGHTS

**MURRAYLANDS**  
 7,000 VISITS  
 107,000 NIGHTS

**RIVERLAND**  
 8,000 VISITS  
 246,000 NIGHTS

**YORKE PENINSULA**  
 3,000 VISITS  
 108,000 NIGHTS

Source: International Visitor Survey, Tourism Research Australia, SA Year End June 2016.



Government of South Australia  
 South Australian Tourism Commission





# NATIONAL VISITOR SURVEY



DOMESTIC EXPENDITURE GROWTH



DOMESTIC VISITS GROWTH

## NATIONAL VISITOR ORIGIN

INTERSTATE  
Visits 2.2M ↑8.1%

INTRASTATE  
Visits 3.8M ↑7.5%

WESTERN AUSTRALIA  
Visits 195,000 ↑44%

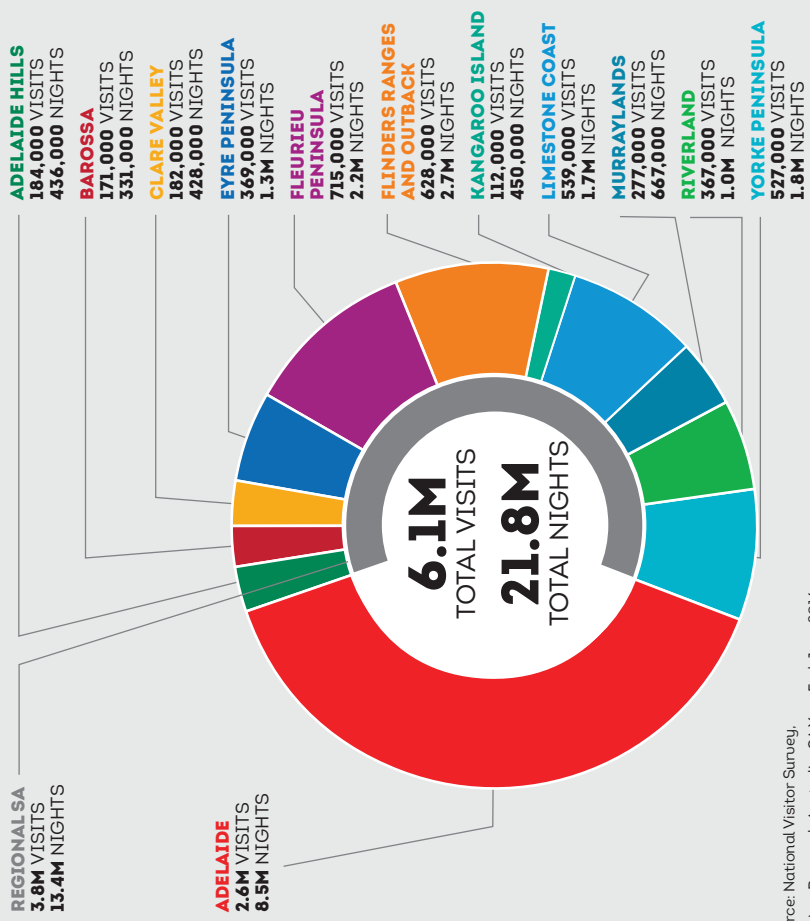
## TOP 3 MARKETS

VICTORIA  
Visits 960,000 ↑12.4%

NEW SOUTH WALES  
Visits 581,000 ↓2.8%

QUEENSLAND  
Visits 291,000 ↑2.8%

## DOMESTIC VISITS



Source: National Visitor Survey, Tourism Research Australia, SA Year End June 2016.



Government of South Australia  
South Australian Tourism Commission



ADELAIDE SOUTH AUSTRALIA

Comparing June 2016 to June 2015  
[WWW.TOURISM.SA.GOV.AU](http://WWW.TOURISM.SA.GOV.AU)

# MARKETING

SATC marketing activity is designed to increase awareness, consideration and visitation for South Australia globally while building positive perceptions about our state as a tourism destination brand.

The SATC maintains international representation in the United Kingdom, Germany, France, Italy, North America, New Zealand, Singapore, India and China. The overall objective of the global marketing plan is to position South Australia as a compelling part of the Australian holiday experience as well as a destination in its own right, with Adelaide as the gateway.

Marketing works across the SATC in the delivery of initiatives such as destination campaigns through above the line media, digital and visual content, cooperative partnership campaigns, publicity, familiarisations, promotion of events, experiences and product.

Building positive perceptions of South Australia and raising awareness as a travel destination will in turn convert consumer consideration to actual visitation, thus contributing to the 2020 expenditure goal.

## DIGITAL MARKETING

### Digital Development

The Digital Development unit is responsible for the project management, development and maintenance of the SATC's online channels. This includes ensuring they are in-line with government policy, stakeholder needs and industry best practice. Our primary website, <[www.southaustralia.com](http://www.southaustralia.com)> is our main source of information for tourists considering or choosing to come to Adelaide, and for locals wanting to know what events are happening around the state.

### Online Management

The Online Management unit is responsible for the SATC's online and mobile assets, including: <[www.southaustralia.com](http://www.southaustralia.com)>, <[www.events.southaustralia.com](http://www.events.southaustralia.com)>, <[www.trade.southaustralia.com](http://www.trade.southaustralia.com)>, <[www.tourdownunder.com.au](http://www.tourdownunder.com.au)>, <[www.cupageant.com.au](http://www.cupageant.com.au)>, <[www.tasting-australia.com.au](http://www.tasting-australia.com.au)> and <[www.tourism.sa.gov.au](http://www.tourism.sa.gov.au)>. The unit also oversees the Australian Tourism Data Warehouse (ATDW) website, social media and provides online marketing services and advice to other SATC units and to the tourism industry.

The key focus for the unit is delivering user-friendly relevant content using core capabilities in social media, analytics, search engine optimisation and web copywriting techniques.

## MARKETING

### Consumer Marketing

The Consumer Marketing unit, in conjunction with creative agency partner KWPI, implements integrated campaigns through a variety of media booked through master media agency MEC (including television, cinema, print, magazine, digital/online and outdoor) to best reach our relevant target markets both interstate and intrastate. The unit works closely with the Online Management and Destination Public Relations units to amplify campaign messages across our social media platforms and through publicity. This drives demand to the state, which is a key objective of the South Australian Tourism Plan 2020.

### Partnership Marketing

Partnership Marketing is responsible for the SATC's travel partnerships with domestic airlines, wholesalers, retail travel agents, online travel agents and other tourism partners. The aim of the partnership team is to increase the amount of South Australian product contracted and sold by these partners and to leverage and grow investment. The unit also undertakes cooperative marketing campaign activities and educates reservation staff on South Australia's key experiences to help them sell South Australia which ultimately leads to increased visitation. The unit plays a vital role in linking South Australian tourism operators to our industry partners, and identifying opportunities for tactical promotions.

### Marketing Insights

Research is an integral part of marketing strategy development, and the tracking and monitoring of SATC marketing activity. Insights are gathered from various sources including BDA tracker reporting and where necessary, qualitative or quantitative commissioned research.

The Marketing Insights unit works closely with the SATC's Strategy and Insights unit to ensure alignment and to leverage available data (NVS, TOMM, BDA). Interstate and intrastate marketing campaigns are tracked on a monthly basis via a BDA communications tracker, allowing for ongoing optimisation of marketing activity.

Management of SATC supported sponsorships for key South Australian events including the Cabaret Festival, Adelaide Festival and Adelaide Fringe has also been the responsibility of Marketing Insights. This ensures these events are effectively leveraged to build the South Australian tourism brand and grow awareness, particularly for the interstate market. The unit has also been responsible for managing SATC supported programs SA Life and South Aussie with Cosi to ensure optimal return on investment, and strategic alignment from these sponsorships.

## Brand Management

The Brand Management unit is responsible for managing the output of all SATC marketing collateral and materials including print, photography and video, as well as providing advice and approvals across all advertising campaigns on an intrastate and interstate level. Working with a panel of external creative service agencies, these companies provide design and artwork creation for SATC's creative requirements including brochures, events and marketing collateral, branding, signage, newspaper and magazine advertisements, reports and online advertising.

The unit also manages a panel of contracted photographers who undertake photo shoots creating visual assets in-line with the SATC's marketing brand, which are uploaded to an online media gallery for access by the tourism industry, associated industries, government agencies and the media.

## PUBLIC RELATIONS AND FAMILIARISATIONS

### Public Relations

The Public Relations unit works with key influencers and stakeholders both domestically and internationally, to drive demand for South Australia as a holiday destination among consumers. The unit is responsible for all consumer communications for the organisation and works with media and influencers to increase visibility of South Australian regions and tourism offerings.

The unit generates positive media exposure for South Australia highlighting our tourism regions, key operators and experiences, working closely with domestic and international marketing to amplify tourism messages for South Australia. The team engages with travel, lifestyle, general print, broadcast, electronic and online media to create inspirational editorial content to trigger the aspiration to visit South Australia.

### Familiarisations

Media familiarisations (also known as fams) play an important role in generating favourable publicity for South Australia through a targeted media hosting program. These media fams generate tens of millions of dollars' worth of publicity in the markets where the articles about South Australian products and experiences appear. This valuable return comes from a relatively small investment. The purpose of the SATC's

trade fams is to enhance the product knowledge and motivation of the retail trade in selling South Australian tourism product and to demonstrate to wholesalers and inbound operators that South Australia has a broad range of saleable product.

*Partnered with Fairfax Media in an industry first program, to create more than 200 new pieces of content.*

## INTERNATIONAL MARKETING AND TRADE EVENTS AND PROJECTS

### International Marketing

The SATC's International Marketing unit operates across 11 markets: China, Hong Kong, Singapore, Malaysia, India, Central Europe, Italy, France, the United Kingdom, New Zealand and North America. The objective of this unit is to promote South Australia both as a compelling part of the Australian journey and as a holiday destination in its own right. The main aim is to increase international visitation and expenditure within the state. This is achieved through a variety of marketing initiatives and media which is bought by our overseas media buying agency, Optimum Media Direction (OMD). The initiatives and media used by the SATC include: cooperative marketing campaigns, public relations activities, training of agents, familiarisations to South Australia for travel, trade, key media, online, digital and social promotions of <www.southaustralia.com> and working with Tourism Australia and various airline partners.

# MARKETING

## Trade Events and Projects

The Trade Events and Projects unit is responsible for: representing South Australia at key trade shows such as the Australian Tourism Exchange, managing SATC initiated trade events and roadshows, the production of the trade Holiday Planner and 11 variants of the international consumer brochure. It is also the key liaison with Tourism Australia for the Aussie Specialist and Best Of programs. The unit also manages the SATC's presence at consumer shows including the AFTA travel show and the Adelaide, Brisbane, Melbourne, Sydney and Perth Caravan and Camping Shows.



*Barossa Be Consumed campaign*

## KEY ACHIEVEMENTS AND HIGHLIGHTS

### Domestic Marketing

- Promoted Adelaide and Greater Adelaide, including the Barossa, Fleurieu Peninsula and Adelaide Hills, through the Adelaide Let Yourself Go marketing campaign in Sydney, Melbourne and Brisbane. Campaign elements included television, cinema, online and outdoor activity. Travel partners included Virgin Australia, Expedia and Webjet at different times throughout the campaign to encourage bookings to South Australia.
- The "Barossa Be Consumed" campaign continued to air in cinemas across Sydney, Melbourne and Brisbane. This campaign included the national sponsorship of outdoor moonlight cinemas. As at January 2016 the Barossa was the most considered food and wine region in Australia (BDA, Marketing and Planning 2016). Qantas was the travel partner for the duration of this campaign to encourage bookings to South Australia. The Qantas Airways partnership yielded a return on investment of 3:1. For every \$1 the SATC invested, there was a return of \$3.
- Partnered with Fairfax Media in an industry first program, to create more than 200 new pieces of content, such as articles, videos and infographics distributed through national websites and social media platforms promoting South Australian tourism experiences and events. The project allowed the SATC to tell more detailed stories about what there is to do in Adelaide and across all South Australian regions, further supporting the Adelaide and Barossa campaigns. To date, this promotional activity has resulted in 1.4 million page views of South Australian content and online engagement has exceeded 1,000 days.

- The Best Backyard intrastate campaign encouraged South Australians to take a holiday and short-breaks in their own state by individually promoting South Australia's 11 tourism regions via television, cinema and online marketing activity. Television activity consisted of scheduling during key programmes that attracted a wide audience following. This ensured a maximum amount of viewers for each campaign spot (programme examples included My Kitchen Rules, the Molly mini-series, Masterchef, The Voice, AFL and Offspring) across the free to air television networks.
- TV show The Project was broadcast live from Adelaide Oval during the week of 7-11 March 2016. The total viewership, for both metropolitan and regional Australia, for the 7.00pm time slot was 3.58 million over the five days.
- Leveraged the opportunity to align with The Today Show for its 'We Love Australia' week of national broadcasts on two occasions (March and June 2016). During March 2016, the promotion aligned with major festivals and events taking place in Adelaide and the June promotion highlighted the town of Hahndorf and the Adelaide Hills region. These activities averaged an audience of 333,000 viewers nationally.
- Generated an estimated ASR value of \$86 million in domestic and international coverage (including family coverage) for South Australia in 2015-16.
- The new SATC Media Gallery was launched in March 2016 to enable a more user friendly, adaptive and responsive online experience. Since the launch a total of 2,245 orders were placed, an increase of 74% from 2014-15. The total number of items downloaded reached over 16,000, a 40% increase from the previous year. Since the launch there have been over 1,200 new registrations and over 770 new items uploaded, ensuring SATC is continually providing new, brand aligned and relevant photography to showcase the best of South Australia.

- In 2015-16, additional appropriation of funds allowed the SATC to run 15 campaigns with 12 cooperative partners promoting South Australia to consumers nationally.
- The commission welcomed 845 media and trade guests to South Australia. This accounts for 184 individual families coordinated by the commission as recorded through the SATC's Familiarisation Data Management system.
- A campaign in conjunction with Webjet from November 2015 to December 2015 yielded impressive booking numbers into Adelaide. Accommodation results were in excess of 12,000 people (7,000 flight bookings) recorded for the four week period, with an additional 2,500 people recorded, for a year on year 26% increase.
- A cooperative campaign with Expedia Australia from March 2016 to April 2016 yielded strong results for South Australia. Passengers increased 24%, room nights increased 24% and airline tickets increased 20% year on year across the campaign period in comparison to the year prior.
- With additional funding in 2015-16, the SATC was able to partner with Virgin Australia on a significant campaign from November 2015 to March 2016. Campaign elements included placing content in Virgin Australia's inflight entertainment system and inflight magazine, and outdoor, digital, and airport advertising in key national markets. Two television episodes filmed with Network 7's The Long Weekender (in conjunction with Virgin Australia) and Channel 9's Getaway Travel Show (in conjunction with Scenic Tours) were also produced. Results for South Australia included 16% growth in passengers, 12% growth in bookings and 21% growth in room nights year on year.

*Running Man is the number-one rated TV variety program in China. The South Australian episode received 200 million views on TV and 236 million views online.*

views on TV and 236 million views online. This was the largest ever consumer focused project for South Australia in China that was made possible with the additional funding.

- The first of its kind in the New Zealand market, an interactive digital campaign allowed for the New Zealand holiday planner to effectively 'watch' and 'create' holiday videos online, and then book those videos with a retail trade partner. The SATC in partnership with Sugar & Partners advertising developed a Curious by Nature campaign featuring a series of 30 second TVC's to gradually reveal some of the key highlights of Vibrant Adelaide, Food and Wine, Murray River and Flinders Ranges/Outback. With close to 75,000 Kiwi's having engaged with the campaign, trade and airline partners saw an increase of 10% in passengers to our state.
- Media Corp's A Singaporean's Guide to South Australia campaign demonstrated a mobile rich culture, with 71% of the audience viewing content via

mobile devices. Video stories were found to be the most effective format to engage with audiences online, and as a result the two most popular stories ("South Australia on a Plate" and "Nature/Wildlife") achieved 120,000 views collectively. As of May the campaign has exceeded initial targets by 50,000 views, and has reached a total of over 615,000 people over digital media, social media and radio.

- Within the markets of the UK, Central Europe,

Italy and France, the SATC partnered with Tourism Australia and Qatar Airways in order to raise awareness of South Australia by leveraging the Qatar Airways brand. This was a complete end to end digital campaign using key channels of video, social media, search and banner advertising. Results indicate that the campaign reached over 41.3 million people throughout the four markets and has enabled the SATC to develop strong audience pools which can be targeted in future campaigns.

- The much-coveted New York Times' '36 Hours in' column showcased Adelaide for its Thanksgiving weekend edition, one of the most read and widely circulated editions of the year. The story generated over \$5.5 million in publicity value.
- Italian restaurant Osteria Oggi was listed as one of the 10 World's Best New Restaurants in 2016 by food writer Chris Dwyer, who is based in Hong Kong. Mr Dwyer visited Adelaide briefly in November 2015. SATC supported his visit of two nights with some city-based activity for a total cost of \$1,100. The resultant coverage in CNN was valued at \$200,000 - an ROI of 180:1.

## International Marketing

- Partnered with National Geographic US to undertake a content campaign comprising stories, images and videos which were placed on a campaign specific South Australia website. Travel trade partners leveraged the interest generated for South Australia by integrating special deals and packages to the destination. The campaign delivered favourable results with the videos being viewed over 188,000 times on the National Geographic website further resulting in 40,000 visits directed to <www.southaustralia.com>.
- The SATC, in collaboration with Tourism Australia secured the filming of Running Man on location in South Australia in November 2015. Running Man is the number-one rated TV variety program in China. The South Australian episode received 200 million

# MARKETING

- Restaurant critic and food television personality in the United Kingdom, AA Gill wrote a two and a half page spread in the Sunday Times Magazine as a result of a family conducted in November 2015. The print publicity was valued at \$182,000. The article also appeared on the Sunday Times website which receives around 400,000 unique visitors each month.

## Digital Marketing

- Launched websites <www.southaustralia.com> and <www.tastingaustralia.com.au>. Both websites are now mobile responsive and easier to manage and maintain.
- Developed multilingual campaign landing pages for Qatar Airways and Singapore campaigns which changes the webpage content based on the visitors preferred language and geographical location.
- Managed changeover to new ATDW platform. The new platform is mobile responsive and simplifies the registration and listing management process.

- Provided project management and technical support to regional web development projects including <www.trails.southaustralia.com>, <www.yorkepeninsula.com.au> and <www.barossa.com>. These collaborations allowed the regional tourism organisations to share in the learnings and functionality developed by the digital team during the redevelopment of <www.southaustralia.com> and the ATDW platform.



# DESTINATION DEVELOPMENT

The Destination Development group contributes to the SATC objectives by developing more appealing and accessible tourism experiences based on the state's tourism strengths. It encourages and facilitates investment in strategic tourism experiences that reinforce the South Australian brand.

The group also works to grow cruise visitation to South Australian ports as well as supporting and increasing services from international and domestic airlines. It works closely with the state's 11 regional tourism organisations to facilitate their alignment with SATC programs and with the network of 42 accredited Visitor Information Centres.

## Experience, Infrastructure and Investment

The Experience, Infrastructure and Investment unit works with South Australia's tourism industry, enhancing and building capabilities of tourism products to create desired and sellable experiences that have high consumer appeal and that are strategically aligned with our key target markets. The unit also encourages investment in new experiences and infrastructure development.

The unit's other responsibilities include identifying desired experiences for our target markets and actively seeking investors/tourism operators to deliver these experiences to create demand. It also provides resources, education and advice to enhance South Australia's existing tourism experiences to increase their capability and saleability in our domestic and international key markets.

The unit ensures key industry partners and targeted investors are aware of South Australia's tourism opportunities by introducing them to the state through familiarisations.

## Cruise Development

The cruise development unit works closely with industry stakeholders, tourism operators and cruise lines to attract more cruise ships to South Australian ports and anchorage. It does this by presenting South Australia's product and service offerings to cruise lines



*Port Adelaide passenger terminal at Outer Harbour*

through sales calls, undertaking familiarisations of South Australia's regions with key decision makers and attendance at key international trade events.

The unit is responsible for encouraging state and private investment into critical cruise ship infrastructure to cater for business growth potential and manages the 'Meet and Greet' programs offered at all ports and anchorages in partnership with key state and regional stakeholders. It works with South Australia's tourism industry to create desirable experiences for cruise passengers and ensures key South Australian cruise industry partners are working together collaboratively to create a desirable destination (Flinders Ports, State and Local Government and regional communities).

## Access Development

The Access Development unit develops and supports international, domestic and regional air access to South Australia and supports other means for

# DESTINATION DEVELOPMENT

consumers to reach the state. The unit works with stakeholders who share a mutual interest in growing direct air services to Adelaide and this includes airports, travel wholesalers, Tourism Australia and other government agencies. The unit works to maintain relationships with airline partners, establishes cooperative marketing initiatives with airlines and works with regional airlines to improve access to South Australia's regional tourism destinations. Other areas of focus include road and rail projects.

## Regional Partnerships

The Regional Partnerships unit works closely with Regional Tourism Organisations and other key stakeholders including local councils and the state's network of Regional Development Australia Boards. The aim is to strengthen the alignment between these stakeholders and the SATC in developing tourism in the regions. During 2015-16 the regional Destination Action Plans continued as the focus of that engagement. These plans identify priorities and assign responsibilities and ownership through this partnership.

## KEY ACHIEVEMENTS AND HIGHLIGHTS

- There were 37 cruise ship visits to South Australian ports in the 2015-2016 season, with a total capacity of up to 89,468 passengers and crew. This included 23 cruise ship visits to the Port Adelaide Passenger Terminal, ten on Kangaroo Island and four at Port Lincoln. This is an increase of five cruise ship visits to South Australian ports from the 2014-2015 cruise ship season.
- Provided assistance to over 70 tourism operators to increase their tourism business capability. Assistance included the provision of advice, facilitation of industry partnerships and relationship development and engagement with tourism distribution channels.
- Held meetings with all 11 regional tourism organisations to review the implementation of their three year Destination Action Plans. The plans identify achievable actions for the region's tourism organisations and the SATC to contribute to the growth of tourism in the regions.
- Provided funding and secretariat support to the Regional Tourism Chairs Forum for a review of regional tourism structures and working relationships.
- Sponsored and co-managed the 2015 convention of the Australian Regional Tourism Network, the peak body for regional tourism in the Fleurieu Peninsula, and the 2016 State Visitor Information Centre conference in Murray Bridge.

*There were 37 cruise ship visits to South Australian ports in the 2015-2016 season, with a total capacity of up to 89,468 passengers and crew.*

- Worked to secure direct flights from Qatar Airways between Adelaide and Doha. Daily flights commenced on 3 May 2016. Qatar Airways connects South Australia to over 150 international destinations around the world via their hub in Doha. This includes over 30 destinations in Europe alone.
- Worked with Singapore Airlines which increased its seat capacity to Adelaide during July and August 2016 to meet increased demand.
- Worked with China Southern Airlines to sign a Memorandum of Understanding in April between the South Australian Government and the airline. This MOU paved the way for direct flights between Guangzhou and Adelaide which will commence in December 2016.
- Worked in partnership with Adelaide Airport Ltd and Department of State Development to commission a report to guide the efforts of securing a Chinese airline. A comprehensive and informative report was delivered that has underpinned current activities with Chinese carriers.
- Worked with Kingscote Airport which received federal and state funding for airport infrastructure and has now commenced planning to build a new terminal and lengthen the runway. SATC has worked with Kangaroo Island Council to engage with airlines that are capable of operating direct flights from Sydney and Melbourne to the Island.
- Supported the development of premium tourism experiences and infrastructure development projects across the state including: food and wine tour packages in the Clare Valley and the Barossa, enhancement of product offerings at Beerenberg Strawberry Farm and Jurlique Herb Farm in the Adelaide Hills, Murray River Walk, Wirra Wirra in McLaren Vale, Authenticity Health Spa and Quad Bike tours on the Fleurieu Peninsula, Heli Air, Ocean to Plate and Head of Bight in the Eyre Peninsula and the development of specialised touring packages, including golf and birdwatching for regional South Australia.
- Worked with Richard Beere, Managing Director of Fastrak Asian Solutions to develop a Visitor Economy Assessment and Development Plan for Delivering Quality South Australian Experiences and Infrastructure for Chinese Visitors.
- Worked with Carnival Australia to successfully host six home port itineraries from P&O Pacific Eden in March and April 2016. These itineraries delivered over 4,300 passengers to the Kangaroo Island and Eyre Peninsula regions.



# DESTINATION DEVELOPMENT

- Continued to develop the touring route initiative that helps consumers who drive to South Australia.
- Provided advice and support to Aboriginal tourism operators including: funding support for operator attendance at the European Roadshow and Australian Indigenous Tourism Conference, two new operators accepted into the Indigenous Tourism Champions Program and development of an Aboriginal Tourism Strategy 2016-17.
- Attended World Routes aviation forum to meet with airline network planners. After a year of challenges in the international aviation sector, South Australia continues to talk with a number of different airlines.
- Submitted a significant pitch to London-based UBM Plc to host World Routes in Adelaide in 2019. This major aviation event could attract over 3,000 aviation industry delegates to Adelaide. A decision on the success of the bid is expected in September 2016.



**↑47%**  
CROWD



**↑44%**  
ACCOMMODATION  
REVENUE



**↑13%**  
OCCUPANCY

AFL GAME DAY IMPACT ON

# ADELAIDE CBD ACCOMMODATION

ROUNDS 1-14 2016 vs 2013\*

\*2016 ADELAIDE OVAL VS 2013 FOOTBALL PARK  
SOURCE: STA GLOBAL, JUNE 2016  
[WWW.TOURISM.SA.GOV.AU](http://WWW.TOURISM.SA.GOV.AU)



Government  
of South Australia  
South Australian  
Tourism Commission



ADELAIDE  
SOUTH AUSTRALIA

# EVENTS SOUTH AUSTRALIA

Events South Australia is the major events division of the SATC. Its role is to promote South Australia as a tourism destination and to bring visitors to the state through securing, managing, developing and sponsoring events, along with providing leadership to the events industry.

It is comprised of two business units, Event Management and Business Development.

## EVENT MANAGEMENT

This unit manages the four events owned by the SATC: the Adelaide Fashion Festival, Credit Union Christmas Pageant, Santos Tour Down Under and Tasting Australia. Each is held annually.

### Adelaide Fashion Festival 22-25 October 2015

In 2015 the SATC took ownership of the Adelaide Fashion Festival from the City of Norwood, Payneham and St Peters. Ongoing objectives for the festival include contributing to South Australia's major events calendar - in particular the Premier's vibrant city agenda - and promoting the state to target audiences including the important Asian market. Growing the local fashion industry and facilitating cultural and diplomatic engagement are also priorities.

The latest Adelaide Fashion Festival was held over four days and was of an international standard. It featured 18 events, with venues including the Art Gallery of South Australia, Electra House and Hotel Richmond. Approximately 5,000 people attended ticketed events, while an estimated 10,000 more enjoyed satellite events in Unley, Norwood and Glenelg.

Established designers showcased at the 2015 festival included Australian Fashion Labels, Paolo Sebastian, Sally Phillips, Tiff Manuel and Liza Emanuele. Opportunities for emerging designers included representation at the Adelaide Fashion Festival Designer Market. Resulting exposure has provided a significant business boost for numerous designers, with new staff hired and growth in sales.

Festival media coverage had an estimated PR value of \$11.1 million, with journalists from Australian Vogue and the Australian Women's Weekly in attendance. A strong Chinese contingent, including reporters from Beijing and Qingdao and international blogger Fil Xioabai, were also present. The festival's links to China were further strengthened through the State Government's Shandong mission in May 2016, which consolidated the relationship between South Australia and the Qingdao Fashion Festival. Subsequent to this - and in conjunction with the Department of Premier and Cabinet and the Department of State Development - a range of trade missions with targeted designers have taken place to destinations including China and South East Asia.

### Credit Union Christmas Pageant 14 November 2015

The Credit Union Christmas Pageant is a South Australian tradition with a growing national profile. It began in 1933 and today features 170 moving theatrical sets including colourful floats, props, puppets, costumes and performers.

A total of 340,000 people attended the 2015 Credit Union Christmas Pageant, which left South Terrace and wound its way through central Adelaide before finishing outside David Jones on North Terrace. The event's estimated PR value was \$10.4 million. The pageant was shown live nationally on the Nine Network and viewed by 137,701 people, making it the top-rating program in Adelaide on event day. The broadcast was two hours long, an increase of 30 minutes on 2014. Additional exposure was gained through Virgin Australia, which showed eight minutes of pageant footage as part of its inflight entertainment prior to and following the 2015 event.

A new landing stage configuration and TV commentary set were designed for the 2015 pageant. A mini concert featuring Robbie Mills was held on the landing stage, which improved the broadcast and delivered a better live experience for the North Terrace crowd.

# EVENTS SOUTH AUSTRALIA

Partnerships are crucial to the event's success. The most significant of these is the naming rights sponsorship provided by four South Australian credit unions – People's Choice Credit Union, Beyond Bank, Credit Union SA and Police Credit Union – since 1996. This takes place under the banner of the Credit Union Pageant Company. Staff from the four credit unions have a vital role in the pageant, dressing up as characters on the day and also working behind the scenes.

In 2015 the Credit Union Christmas Pageant partnered with Study Adelaide to connect with China and promote South Australia to international students and their families as an ideal place to live, work and study. International students participated as crowd marshals and clowns, with their experiences shared on western and Chinese social media channels.

## Santos Tour Down Under 16-24 January 2016

The Santos Tour Down Under is Australia's premier cycling race and the largest event of its kind in the southern hemisphere: an action-packed, nine-day festival that takes South Australia to the world. The 2016 event attracted a record-breaking 795,000 spectators, up from 786,000 in 2015.

This figure included 39,000 interstate and overseas visitors, an increase of 4.3% on the previous result of 37,370. Economic impact reached \$49.6 million, also the highest ever, with 613 full-time equivalent jobs created.

The 2016 Santos Tour Down Under began on 16 January with the presentation of teams in Victoria Square and a free concert featuring Australian artist Jessica Mauboy. Successful street parties were held in Prospect, Unley, Glenelg and Norwood during the event, reinforcing its status as a festival of cycling embraced by the community. The Santos Tour Down Under finished on 24 January in central Adelaide, with Australian rider Simon Gerrans (Orica-BikeExchange) winning for a fourth time.

The second Santos Women's Tour was held from 16-19 January in conjunction with the Santos Tour Down Under. It was classified as a UCI 2.2 event for the first time – status that attracted teams from Norway, the United States, the United Kingdom and New Zealand – and attracted top Australian riders by retaining its place in the Subaru National Road Series.

Media interest in the Santos Tour Down Under continues to climb. In 2016 28,560 items of coverage with an estimated PR value of \$258 million were captured. These promoted not only world-class cycling but South Australian food, wine, landscapes and

regions, along with Adelaide's colour and excitement. Twenty-nine hours of event footage were televised nationally through the Nine Network – up by 2.5 hours from 2015 – while 567 hours of international coverage reached 190 territories. The creation of a split television feed in 2016 enabled targeted content to be produced for domestic and international audiences, also providing a more compelling sponsorship proposition for potential national partners.

Associated events again proved a very successful part of the Santos Tour Down Under. The Legends' Night Dinner featured Italian cyclist Paolo Bettini, a 2004 Olympic gold medallist and former winner of road races including Liege Bastogne Liege and Milan San Remo.

Almost 6,000 recreational riders took part in the Bupa Challenge Tour, which was held between Norwood and Victor Harbor ahead of Bupa Stage 4. A total of 283 participants joined the inaugural Shut Up Down Under team led by event ambassador and former professional

cyclist Jens Voigt. The Bupa mini tour for kids attracted 450 registrations, while the new Bupa Family Ride – held before the People's Choice Classic – saw 488 people take part. The Norton Summit Time Trial, another new product, was launched to appeal to cyclists interested in a more competitive alternative to the Bupa Challenge Tour.

Social media streams are a large and growing asset for the Santos Tour Down

Under. The launch of an event social media hub in 2016 delivered a 'wall' of aggregated social media content that could be shared to any platform – be it a website or mobile application – and also appeared on a big screen in the Adelaide City Council Tour Village. More than 1,000 posts a day were captured during the event. The new TDU TV provided a home for all event non-broadcast video content – 130 clips in total – and served as a video on-demand service, with 19,580 user sessions logged.

## Tasting Australia 1-8 May 2016

The tenth edition of Tasting Australia was a celebration of eating and drinking that unfolded in Adelaide and across the state.

The festival's 2016 creative team was comprised of chef Simon Bryant and wine expert Paul Henry, with food icon Maggie Beer as patron and three event ambassadors: chefs Cheong Liew and Jock Zonfrillo and food journalist Joanna Savill.

Town Square in Adelaide's Victoria Square again served as the event hub, with 10 regions and their food

*To date 15 events have been secured through the Events Bid Fund. Together they are forecast to inject more than \$65 million into the South Australian economy.*

# EVENTS SOUTH AUSTRALIA

and wine represented, on-stage talks and demonstrations and a wood oven that turned out bread and other baked fare. More than 40,000 people passed through the Town Square gates during the festival's eight days, with more than 2,400 visitors to South Australia attending the event.

A strong contingent of local, national and international talent took part in Tasting Australia, including eight international guests, eight Australian guests and more than 30 local chefs. Key events included the Origins, Natural, Single Sites and Cheong Liew Retrospective dinners, A Few of My Favourite Things tours with chefs and food identities, a Mother's Day brunch in Town Square and the panel event Loaves and Fishes, which paired the staples of bread and fish with lively conversation.

More than 200 associated Tasting Australia events were held in Adelaide, Adelaide Hills, Barossa, Clare Valley, Fleurieu Peninsula, Flinders Ranges and Outback, Kangaroo Island, Limestone Coast and the Riverland.

There were 1,091 media items generated about Tasting Australia; coverage had an estimated PR value of \$16.15 million. The festival also featured the bloggers' conference Words to Go, which attracted 24 delegates. Half were from interstate, with one blogger from New Zealand. To date Words to Go has generated 536 posts across Twitter and Instagram, along with 15 blog posts detailing delegates' experiences.

Tasting Australia is also an event that unites members of the food and wine industries. In 2016 this took place through Food South Australia's Think Food, Food Summit and Wine Day Out, which ran throughout the festival and contributed to consistent visitation over its eight days. The Primary Industry and Regions South Australia Tasting Gallery in Town Square proved popular and featured food and wine ambassadors to introduce guests' palates to new flavours and pairings.

The previously biennial Tasting Australia is now an annual event and returns from 30 April-7 May 2017.

## BUSINESS DEVELOPMENT

The Business Development unit focuses on maximising the tourism, economic and social outcomes of events through securing, developing and sponsoring leisure events and festivals.

The South Australian Government has committed to an Events Bid Fund, which was established in 2014-15 with an initial investment of \$6 million over four years. In 2015-16 a further \$10 million investment over two years was announced.



*Santos Tour Down Under, Fleurieu Peninsula*

The fund allows South Australia to strategically attract events which complement the state's ongoing calendar and deliver significant tourism and economic outcomes.

To date 15 events have been secured through the Events Bid Fund. Together they are forecast to inject more than \$65 million into the South Australian economy.

Secured events that took place in 2015-16 included:

- **Southern University Games, 5-9 July 2015**  
This event attracted about 2,000 Australian athletes aged between 18 and 24, competing across 13 venues.
- **Liverpool FC v Adelaide United FC, 20 July 2015**  
This sold-out exhibition match saw 53,000 passionate fans – including 18,100 from outside South Australia – gather at Adelaide Oval. The event was worth \$11.04 million to the South Australian economy.
- **ISPS Handa Australian Women's Open, 18-21 February 2016**  
This golf tournament has been secured for South Australia until at least 2018. In 2016 it was held at Grange Golf Club and attracted a record 31,000 spectators while adding an estimated \$6.5 million to the state's economy.
- **Socceroos v Tajikistan, 24 March 2016**  
This FIFA World Cup qualifier at Adelaide Oval drew a crowd of more than 35,000. The last time the Socceroos played in Adelaide was five years ago in a friendly match.
- **Australian Age Swimming Championships, 28 March-4 April 2016**  
Around 2,000 competitors and officials from 250 Australian clubs took part in the championships. The event injected \$2.76 million into the South Australian economy.

# EVENTS SOUTH AUSTRALIA

- **Australian Swimming Championships, 7-14 April 2016**

This was also the selection trials for the 2016 Rio Olympics and attracted 13,000 supporters and 1,750 athletes, coaches and officials. Large audiences from around Australia tuned in to the Network Seven broadcast with 4.66 million people watching the pool action across the eight nights.

## Sponsored Events

Events South Australia supports event growth through sponsorship, public relations and marketing. Close relationships are maintained with event managers to ensure all opportunities for mutually beneficial promotion are taken up.

In 2015-16 Events South Australia sponsored 16 major events:

- Liverpool FC v Adelaide United FC, 20 July 2015
- Australian Masters Games, 3-10 October 2015
- Adelaide Motorsport Festival, 16-18 October 2015
- Duathlon World Championships, 17-18 October 2015
- Feast Festival, 14-29 November 2015
- Australian International Three Day Event (AI3DE), 19-22 November 2015
- Equestrian Grand Final, 19-22 November 2015
- Pacific School Games, 21-29 November 2015
- Australian Deaf Games, 9-16 January 2016
- World Tennis Challenge, 12-14 January 2016
- ISPS Handa Women's Australian Open, 18-21 February 2016
- WOMADelaide, 11-14 March 2016
- Socceroos v Tajikistan, 24 March 2016
- Club Crew World Championships (dragon-boating), 24 March-7 April 2016
- Australian Age Swimming Championships, 28 March-4 April 2016
- Australian Swimming Championships, 7-14 April 2016

Examples of sponsored event success included:

### AI3DE and Equestrian Grand Final

The AI3DE and Equestrian Grand Final were held in Adelaide's inner-city parklands and attracted 27,000 people. This represented its highest ever ticket sales in revenue, with 44% of attendees based more than 400 kilometres from the event site. Organisers report the events had an estimated economic impact of \$3.8 million. An international television audience of more than 19 million watched the AI3DE on television; this included coverage on CNN International for the first time.



*Tasting Australia, Adelaide*

The 2015 Equestrian Grand Final was held in conjunction with the AI3DE and attracted the nation's best 50 competitors. This event serves as the Equestrian Australia showcase event for all Olympic disciplines in equestrian sport – freestyle dressage, World Cup show jumping and exhibition short-course eventing.

In June 2016 the AI3DE was named winner of the prestigious Australian Institute of Sport Event of the Year. The award is given to an event that achieves the highest standard of excellence across all areas of event management at the Equestrian Australia Sport Achievement Awards.

### Feast Festival

The 2015 Feast Festival was the most successful to date, with total attendance of 48,200 and visitors to South Australia representing 21% of festival-goers. Headline act Conchita Wurst – a former Eurovision Song Contest winner – generated extensive publicity for the festival and also promoted the state through SATC-led activities. This included a familiarisation visit to the Fleurieu Peninsula with journalists, and a widely covered visit to Cleland Wildlife Park. Feast Festival featured 34 ticketed and 22 free events. Sixty-one artists were local, 18 based interstate and three international.

## Club Crew World Championships

Dragon-boaters gathered at West Lakes for this event, which attracted more than 3,500 competitors, supporters and officials from outside South Australia. Organisers report it had an estimated economic impact of \$5.3 million. Fifty-seven of the 90 clubs competing at the championships were from overseas, with nations including China, Canada, the United States, Singapore and the Philippines represented. Adelaide also hosted the Australian Dragon Boat Championships and the Asian Dragon Boat Championships in March 2016 ahead of the Club Crew World Championships.

## Regional events and festivals

Twenty-five events were funded through the 2015-16 Regional Events and Festivals Program and Community Events Development Fund.

They are as follows:

- 18 Hours of Melrose, 4-5 September 2015
- Kangaroo Island Marathon, 6 September 2015
- Lower Lakes Stockman's Challenge, 18-20 September 2015
- Bay to Birdwood, 27 September 2015
- Oysterfest, 2-4 October 2015
- Coonawarra Cabernet Celebrations, 15-18 October 2015
- Renmark Rose Festival 2015, 16-25 October 2015
- Bay Sheffield, 27-28 December 2015
- Crush Festival, 22-24 January 2016
- Tunarama Festival, 22-26 January 2016
- Kangaroo Island Cup Carnival, 18-20 February 2016
- Blenheim Camping and Music Festival, 25 March 2016
- Cadell Harvest Festival, 26 March 2016
- Beachside Food and Wine Festival, 2 April 2016
- Yorke Peninsula's Saltwater Classic, 9-10 April 2016
- South Australian Masters Games – Murray Bridge, 14-17 April 2016
- FloatFest, 29 April-1 May 2016
- Clare Valley Gourmet Weekend, 13-16 May 2016
- Penola Coonawarra Arts Festival, 19-22 May 2016
- Melrose Fat Tyre Festival, 10-13 June 2016
- Port Augusta Cup Day, 10 July 2016
- Adelaide Beer and BBQ Festival, 8-10 July 2016
- Winter Reds Weekend, 30-31 July 2016
- South Australian Living Artists Festival, 1-31 August 2016
- Barossa Gourmet Weekend, 2-4 September 2016

## Industry development

During 2015-16 Events South Australia held successful events and festivals industry workshops in Adelaide, the Flinders Ranges and Outback and Yorke Peninsula. Topics discussed included event funding, sponsorship, promotion, operations, strategic planning and collaboration. Events South Australia also took part in a regional workshop covering its role, funding and promotional opportunities that was coordinated by Destination Riverland.

In addition to workshops Events South Australia was pleased to help a range of other events grow and develop throughout the year. This was achieved through the provision of advice and facilitation of meetings.

In 2015-16 Events South Australia continued sharing information and opportunities through Events South Australia News, its quarterly newsletter. Its Twitter account grew to almost 3,000 followers.

## Thank you

Events South Australia thanks the sponsors, supporters and organisations it partnered with throughout 2015-16. We are proud to have worked with you to stage compelling events in South Australia and look to the coming year with excitement.

*Events South Australia thanks the sponsors, supporters and organisations it partnered with throughout 2015-16. We are proud to have worked with you to stage compelling events in South Australia and look to the coming year with excitement.*

# CORPORATE AFFAIRS

Corporate Affairs is the SATC's main liaison point with government, supporting and overseeing the relationship with the Minister's Office, SATC staff, local news media and the tourism industry.

The group is responsible for the strategic planning aligned to the South Australian Tourism Plan 2020, undertakes research to provide strategic direction and reports on the tourism industry and the agency's performance.

The group strives to highlight the SATC's actions in growing the visitor economy, aims to influence policies to enhance growth in the industry, and educate decision makers to understand the sector's value in being a key economic driver and creator of jobs for South Australia.

Support services to stakeholders, including the Minister's Office, SATC Board and Chief Executive are also key responsibilities.

## Strategy and Insights

The Strategy and Insights unit influences, informs and educates internal and external stakeholders to support decisions that seek to enhance the visitor economy in South Australia.

The unit's influence is driven by early engagement and an endeavour for greater understanding into subject matters. Consequently, the unit aims to provide evidence based insights via effective presentation of information which leads to strategic decision making.

## Corporate Communications

The Corporate Communications unit is responsible for developing effective external communications strategies that present tourism as a key economic pillar. The unit also manages the corporate reputation of the SATC.

The team instigates various communication methods to build trust, confidence and pride by promoting the strategies and methods the commission initiates to grow the visitor economy in South Australia among key stakeholders such as: Tourism Australia, Local and State Government, regional partners and industry.

The team also plays an integral role developing internal communications to ensure SATC staff are well informed of relevant matters.

Importantly, the team is responsible for working closely with the Minister for Tourism's office on key announcements to local media.

## Government and Industry Relations

The Industry and Government Relations unit contributes to the success of the visitor economy through identifying where planning, policy and project objectives of other agencies and levels of government can be improved to grow and support the sector.

Tourism does not have enabling legislation, therefore, the unit collaborates with other regulatory agencies such as the Department of Planning, Transport and Infrastructure (DPTI) and the Department of Environment, Water and Natural Resources (DEWNR), to ensure there is a competitive policy environment in which the tourism industry can flourish.

The unit critically prepares advice on South Australia's tourism policy position and responds to Commonwealth and state proposals. It also oversees the relationship with the South Australian Tourism Industry Council (SATIC). Importantly, the team provides planning advice to investors, proponents and government agencies to assist specific tourism developments throughout the state.

## Executive Services

The Executive Services unit provides a secretarial, executive and overall support service to the SATC Chief Executive and Board.

It also provides a liaison service with the Minister's Office, which includes the processing of ministerials, provision of briefing notes and advice. The unit also oversees the SATC's obligations under the Freedom of Information Act.

Additionally, the unit manages the State Government's Corporate Suite for the Clipsal 500 Adelaide event, involving liaison with the Premier and Minister, compiling guest lists, distributing invitations, handling RSVPs, ticketing and hospitality on race days. The team also manages the government and Board ticketing for our managed and sponsored events.



## KEY ACHIEVEMENTS AND HIGHLIGHTS

- In collaboration with DEWNR, completed and launched a Nature Based Tourism Strategy, which outlines the State Government's vision and actions to make South Australia a world leader in nature-based tourism, while supporting the ongoing conservation of natural and cultural heritage. The strategy is proposed to inject \$350 million a year into the state's economy and create 1,000 new jobs by 2020.
- Secured Federal agreement for the allocation of Commonwealth funding (nearly \$1 million) under the national Tourism Demand Driver Infrastructure Program to enhance South Australian tourism experiences.
- Represented and supported the tourism industry in a wide range of government policy settings, including the provision of ten-year licences for shark cage dive operators and creation of Mount Lofty Ranges as an international mountain bike destination.
- Collaborated across government to undertake specific projects, such as development of a world standard multi-day walk on Kangaroo Island, the Request for Information (RFI) for Leigh Creek and provision of public access to certain South Australian water reservoirs for recreational fishing.
- Negotiated a new three year funding agreement with SATIC. The agreement will support South Australian tourism operators in the submission process to assist improved performance at the National Tourism Awards.
- Funding from the Convention Centre Bid Fund has enabled the state to successfully secure 41 conventions, which will attract more than 44,000 delegates, more than 201,000 bed nights, and generate an estimated economic value of \$214 million. The Convention Centre Bid Fund is delivering a return on investment to the State Government of 70:1.
- Successful media and industry launch of the Qatar Airways direct flights to Adelaide. Media coverage generated is valued at an estimated ASR (Advertising Space Rate) of \$138,000, for 68 items (including syndicated) with a potential reach of 1,871,868 from April 2016 to June 2016.
- Launch of the new Tourism Champions initiative, a series of videos and case studies of tourism operators, businesses and events around our state that are doing great work and building the profile of tourism in South Australia. The videos bring to life their stories, and serve as an aspiration and inspiration to others.



*Qatar Airways inaugural flight, Adelaide Airport*

*Launched a Nature Based Tourism Strategy, which is proposed to inject \$350 million a year into the state's economy and create 1,000 new jobs by 2020.*

*Coverage generated by the successful media launch of Qatar Airways direct flights to Adelaide is valued at an estimated ASR of \$138,000 with a potential reach of 1,871,868.*

# THE IMPACT OF BUSINESS EVENTS BID FUND



# THE MOTOR SPORT GROUP

The Motor Sport Group (TMSG) is a division of the SATC focused on motor sport events in South Australia. It is responsible for the strategic planning, management, promotion and delivery of the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge.

The Motor Sport Group comprises eight business units.

## Office of the Director

This unit is responsible for the overarching strategic, financial planning and event management of both the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge. This includes internal liaison with regards to government communications, executive services and financials.

## Administration and Customer Service

The Administration and Customer Service unit is the public interface for the Clipsal 500 Adelaide. It provides administration support across various functions for both the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge.

## Marketing

This unit is responsible for product, brand and communications across the Clipsal 500 Adelaide and the Bridgestone World Solar Challenge. This includes event campaigns, PR, media, website, social media, advertising, promotion and market research.

## Commercial

The Commercial unit is responsible for development, procurement, activation and retention of corporate sponsors, as well as the development, implementation and sale of corporate hospitality, merchandise and event signage assets.

## Operations

The Operations unit manages all non-motor sport elements of the Clipsal 500 Adelaide including: concerts, community relations, event site establishment, gate operations, security, licensing, credentials, event program, staging, signage, catering, cleaning, emergency services, TV broadcast and all associated logistics.

## Engineering

This unit is responsible for the procurement, construction, dismantle and remediation of the event site including: associated WHS and structural code compliance, risk management, traffic management, civil works, road closures, asset maintenance and all necessary industry liaison.

## Motor Sport

The Motor Sport unit is tasked with securing and operating all motor sport relevant categories, displays, and demonstrations for the Clipsal 500 Adelaide. It is also the motor sport industry liaison, developing and implementing motor sport specific risk management, volunteer recruitment and management.

## Bridgestone World Solar Challenge

The Bridgestone World Solar Challenge unit includes individuals from across all of TMSG. Collectively this unit is responsible for the planning, implementation and management of all event tasks, similar to that of the Clipsal 500 Adelaide, with the additional challenge of a transcontinental staging.

# THE MOTOR SPORT GROUP

## KEY ACHIEVEMENTS AND HIGHLIGHTS

### Clipsal 500 Adelaide

- The 2016 Clipsal 500 Adelaide attracted 263,500 patrons across the four day event, making it Australia's most successful motor sport event. The event delivered its highest economic impact of \$65.6 million to the state of South Australia, created 440 full time equivalent jobs and exposure in strategic markets both nationally and internationally generated a PR value of \$179.5 million.
- The 2016 event saw an improved patron experience with all grandstands upgraded and the installation of new superscreens. Popular new attractions included the New Holland Enduro X powered by Monster Energy, Cars of the Screen and the new Concert Green - a trendy destination zone providing event goers with a stylised concert experience. The international Toyo Tyres Stadium Super Trucks presented by Traxxas thrilled crowds for the second year in a row.
- The popular Clipsal 500 Adelaide Schools Pit Stop Path Program was also a success, with nearly 3,000 students and teachers from a record 56 schools participating.



Clipsal 500 Adelaide

*The 2016 Clipsal 500 Adelaide attracted 263,500 patrons across the four day event, making it Australia's most successful motor sport event.*

### Bridgestone World Solar Challenge

- The 2015 Bridgestone World Solar Challenge attracted 46 teams from 25 countries, many of whom represent the world's leading academic institutions. The event generated more than \$41 million in global media value, with international media following their local teams and independent media, like the Discovery Channel, producing vision for broadcast.
- The event created more than 121 full time equivalent jobs nationally (of which over half were in South Australia), more than 400 industry partnerships across energy, automotive, engineering, financial and material science and over \$13 million in economic benefit nationally, (of which over half is specific to South Australia).

*The 2015 Bridgestone World Solar Challenge generated more than \$41 million in global media value, with international media following their local teams.*

# FINANCE AND BUSINESS SERVICES

The group comprises the Human Resources and Facilities unit, Finance unit, Commercial and Procurement unit and the Information Communication Technology unit. All units contribute to the achievement of the SATC's goals by providing a comprehensive range of corporate support services.

The group is responsible for the provision of human resources, quality financial reporting, information technology support, administrative services, procurement of goods and services, contract management, audit and risk management, security and accommodation services.

## Finance

The Finance unit plays a vital role in the effective financial management of the SATC. It provides timely and accurate budget and financial information and advice, as well as maintaining a high level of financial controls over its domestic and international operations. Finance provides a range of financial and business services, supporting the SATC business groups and ensuring accountability for government resources.

In 2015-16, the Finance unit incorporated the financial systems and processes of the former South Australian Motor Sport Board (SAMSB) into the SATC. This included a full audit of opening balances, development of a common chart of accounts, review of existing financial authorisations and purchase card arrangements and the remapping of budgets and transactional records.

Two sets of accounts were run in parallel for much of the year to ensure a seamless and robust transition, and efficiencies were identified wherever possible. Controls over financial reporting, taxation, deposit accounts, banking, accounting records and employee benefits were maintained in compliance with Treasurer's Instructions and the government's Financial Management Framework.

Finance also finalised the implementation of an integrated international accounts processing system, and developed new arrangements for the transactional processing of online sales income.

The unit continues to manage the relationship with Shared Services SA to maximise the level of support and efficiency of services provided to SATC's employees, suppliers and customers.



*Kangaroo Island*

## Commercial and Procurement

The Commercial and Procurement unit provides advice on SATC commercial matters, undertakes the procurement of goods and services, and manages the SATC's insurance and risk management operations. The unit is responsible for implementing procurement policies, guidelines and practices incorporating SATC and across government requirements. To simplify procurement, the unit develops and maintains suites of contracting documents and tools for procurements, manages tender processes, and coordinates purchasing. It also provides advice to support negotiations and/or obligations in relation to SATC commercial matters, as well as monitoring and reporting on established SATC contracts.

The unit is also responsible for managing the SATC's centralised procurement information system. The system was demonstrated during 2015-16 to a number of public sector agencies undertaking investigation of alternative procurement information systems within their agency.

# FINANCE AND BUSINESS SERVICES

In 2015-16, the unit carried out 121 procurements greater than \$22,000, with a total value exceeding \$44 million. During the same period, the SATC entered a total of 648 agreements including 247 service agreements, 107 sponsorship agreements, 130 cooperative marketing agreements, 54 licence agreements, 19 grant agreements, 10 MAA/MOU and 66 other agreements.

The unit also undertook considerable additional work throughout 2015-16 due to the dissolution of the SAMSB and the vesting of the Board's obligations in the SATC including more than 40 major tenders associated with the Clipsal 500 Adelaide event.

## Information Communication Technology

The Information Communication Technology (ICT) unit ensures the provision of appropriate ICT systems to facilitate the delivery of SATC business. The unit also manages and provides support for internet and network services for the SATC and is responsible for the technical systems that support all day-to-day office activity within the SATC. To meet the growing demands of innovation and technology, the unit maintains reliable wireless internet, project management tools and systems, network access and ICT hardware for media centres created for SATC managed events.

The records management function is the responsibility of the ICT unit and this ensures that the SATC discharges its responsibilities under the State Records Act and involves the tracking and registration of correspondence and the maintenance of a records management system.

In 2015-16, the ICT unit assisted in integrating The Motor Sport Group into the SATC. All IT systems and processes have now been fully incorporated into the SATC network. The unit completed a major server upgrade to increase connectivity speeds for all SATC staff and continued to roll-out electronic records management across the SATC. The SATC's Customer Relations Management (CRM) system has had a number of modules added including the Famils Data Management System, Contracts Management, Grants Management, Feedback Register and electronic direct mail (eDM). The SATC CRM now centralises tourism business contact information and ensures all information is up to date and relevant.

## Human Resources and Facilities

The Human Resources and Facilities unit is responsible for developing, implementing and advising on a range of human resources strategies, policies and procedures. Human Resources play a key role in facilitating a number of initiatives to ensure that SATC employees are assisted to perform at their best in a healthy climate of ongoing learning and development. The Human Resources unit is also responsible for monitoring and assisting with employees' participation in the SATC's bi-annual Performance Development Program along with managing and maintaining the SATC's work health and safety obligations.

Other responsibilities of the unit include general administration tasks, facilities management, fleet management, procurement of office equipment and stationery, provision of reception and switchboard services and co-ordination of incoming and outgoing mail and couriers.

Key projects during the 2015-16 financial year included continued development of Work Health and Safety policies and programs, including involvement in Work Health and Safety management and planning for SATCs key managed events including the Santos Tour Down Under, Clipsal 500 Adelaide, Tasting Australia, Adelaide Fashion Festival and Credit Union Christmas Pageant.

Another substantial activity in the 2015-16 year was the transition of SAMSB staff to the SATC and the management of the SAMSB properties and facilities. These functions are now fully integrated and managed in accordance with SATC policies and procedures.

The Human Resources unit facilitated a number of staff programs, including the revision of the SATC's performance review and development process, staff culture and engagement program.

## Disability and Equity

The SATC currently has a Disability Access and Inclusion Plan and the purpose of this plan is to ensure that unlawful discrimination on the grounds of disability does not occur in the administration of policies, facilities, services and programs.

## Work Health and Safety

SATC staff continued their commitment to safety, aiming to be injury free with proactive health programs to support the well-being of staff. The SATC continued to implement the initiatives included in the 2014-16 WHS Action Plan.

# FINANCE AND BUSINESS SERVICES

## Sustainability and Energy Efficiency

The SATC Head Office, located at 121 – 125 King William Street, is housed within a building that carries a 5 Star Green Rating (using the Green Building Council of Australia Office Design rating tools for reduced energy and greenhouse emissions). The building has achieved certified reduction of CO2 emissions to meet 5 Star NABERS energy rating requirements including:

- Extensive sub metering for major base building energy uses
- Timed sensors to common area lighting including basement car park
- Sub metering for each tenancy
- Low energy T5 fluorescent lighting restricting power densities to 2W/M2 per 100 Lux
- Addressable lighting with dimmable ballasts in zones of no more than 100m2
- High performance low E façade glazing balancing daylight penetration and thermal performance
- The building has a 237 MJ/m2 p.a. energy consumption and 515,207 kg CO2 p.a. actual greenhouse emissions

Other sustainability measures included:

- Reduction in paper consumption and printing output – managed and monitored through the ICT Unit.
- Liaise and comply with building management requirements around utilities usage and processes such as low flow water usage, sensor lighting outside of peak business hours and building temperature controlled during core business hours.
- Continue to look for ways to monitor and reduce our energy consumption and carbon emissions.

## Whistleblowers Protection Act 1993

The South Australian Tourism Commission has appointed a responsible officer for the purposes of the *Whistleblowers Protection Act 1993* (WPA) pursuant to Section 7 of the Public Sector Act 2009.

There were no instances of disclosure of public interest information to a responsible officer of the SATC under the WPA in the 2015-16 financial year.



*Flinders Ranges and Outback*

*In 2015-16, the unit carried out 121 procurements greater than \$22,000, with a total value exceeding \$44 million.*

# HUMAN RESOURCES TABLES

NUMBER OF EMPLOYEES		
	Persons	FTEs
SA Tourism Commission	136	127.02
Gender	Persons	FTE
Male	44	42.5
Female	92	84.52
Other	0	0
Number of persons separated from the agency during the last 12 months	30	
Number of persons recruited to the agency during the 2015-16 financial year	20	
Number of persons recruited to the agency during the 2015-16 financial year AND who were active/paid at June 2016	12	
Number of persons on leave without pay at 30 June 2016	2	

NUMBER OF EMPLOYEES BY SALARY BRACKET			
Salary Bracket	Male	Female	Total
\$0 - \$56,199	6	12	18
\$56,200 - \$71,499	7	35	42
\$71,500 - \$91,499	15	30	45
\$91,500 - \$115,499	10	10	20
\$115,500+	6	5	11
<b>Total</b>	<b>44</b>	<b>92</b>	<b>136</b>

STATUS OF EMPLOYEES IN CURRENT POSITION*					
FTEs					
Gender	Ongoing	Short-term contract	Long-term contract	Casual	Total
Male	7	9.58	23.49	2.43	42.50
Female	17.60	14.67	49.14	3.11	84.52
<b>Total</b>	<b>24.60</b>	<b>24.25</b>	<b>72.63</b>	<b>5.54</b>	<b>127.02</b>
Persons					
Gender	Ongoing	Short-term contract	Long-term contract	Casual	Total
Male	7	8	26	3	44
Female	18	14	53	7	92
<b>Total</b>	<b>25</b>	<b>22</b>	<b>79</b>	<b>10</b>	<b>136</b>

\*Due to the CHRIS21 system migration, the casual employee figures have been estimated as at 30 June 2016

NUMBER OF EXECUTIVES BY STATUS IN CURRENT POSITION, GENDER AND CLASSIFICATION													
Classification	Ongoing		Term Tenured		Term Untenured		Other (Inc. Casual)		Other (invalid Combination - please correct)		Total		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total
EXEC0A	0	0	0	0	1	1	0	0	0	0	1	1	2
EXEC0B	0	0	0	0	1	1	0	0	0	0	1	1	2
EXEC0C	0	0	0	0	1	0	0	0	0	0	1	0	1
EXEC0D	0	0	0	0	1	0	0	0	0	0	1	0	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>6</b>



# HUMAN RESOURCES TABLES

## TOTAL DAYS LEAVE TAKEN

Needs to be divided by average FTE figure for the financial year for per FTE figure

Leave Type	2015-16
1) Sick Leave Taken	687.55
2) Family Carer's Leave Taken	123.23
3) Miscellaneous Special Leave	42.53

## NUMBER OF ABORIGINAL AND/OR TORRES STRAIT ISLANDER EMPLOYEES

Salary Bracket	Aboriginal Employees	Total Employees	% Aboriginal Employees
\$0 - \$56,199	0	18	0
\$56,200 - \$71,499	0	42	0
\$71,500 - \$91,499	0	45	0
\$91,500 - \$115,499	0	20	0
\$115,500+	0	11	0
<b>Total</b>	<b>0</b>	<b>136</b>	<b>0</b>

## NUMBER OF EMPLOYEES BY AGE BRACKET BY GENDER

Age Bracket	Male	Female	Total	% of Total
15 - 19	0	0	0	0
20 - 24	1	5	6	4
25 - 29	3	14	17	13
30 - 34	6	20	26	19
35 - 39	7	16	23	17
40 - 44	8	8	16	12
45 - 49	5	7	12	9
50 - 54	5	8	13	10
55 - 59	0	8	8	6
60 - 64	5	5	10	7
65+	4	1	5	4
<b>Total</b>	<b>44</b>	<b>92</b>	<b>136</b>	<b>100</b>

## CULTURAL AND LINGUISTIC DIVERSITY

	Male	Female	Total	% of Agency
Number of employees born overseas	4	9	13	9
Number of employees who speak language(s) other than English at home	3	6	9	7

## NUMBER OF EMPLOYEES WITH DISABILITIES (according to Commonwealth DDA definition)

	Male	Female	Total	% of Agency
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# HUMAN RESOURCES TABLES

## TYPES OF DISABILITY (where specified)

Disability	Male	Female	Total	% of Agency
Disability Requiring Workplace Adaptation	0	0	0	0
Physical	0	0	0	0
Intellectual	0	0	0	0
Sensory	0	0	0	0
Psychological/Psychiatric	0	0	0	0

## NUMBER OF EMPLOYEES USING VOLUNTARY FLEXIBLE WORKING ARRANGEMENTS BY GENDER

Leave Type	Male	Female	Total
Purchased Leave	0	0	0
Flexitime	5	33	38
Compressed Weeks	0	1	1
Part-time	6	27	33
Job Share	0	3	3
Working from Home	0	0	0

## DOCUMENTED REVIEW OF INDIVIDUAL PERFORMANCE MANAGEMENT

Documented Review of Individual Performance Management	Total
% Reviewed within the last 12 months	90
% Review older than 12 months	0
% Not reviewed	10

## LEADERSHIP AND MANAGEMENT TRAINING EXPENDITURE

Training and Development	Total Cost	% of Total Salary Expenditure
Total training and development expenditure	\$89,000	0.08%
Total leadership and management development	0	0

## ACCREDITED TRAINING PACKAGES BY CLASSIFICATION

No Record found

## WORK HEALTH AND SAFETY PROSECUTIONS, NOTICES AND CORRECTIVE ACTION TAKEN

Number of notifiable incidents pursuant to WHS Act Part 3	1
Number of notices served pursuant to WHS Act Section 90, Section 191 and Section 195 (Provisional improvement, improvement and prohibition notices)	0
Number of prosecutions pursuant to WHS Act Part 2 Division 5	0
Number of enforceable undertakings pursuant to WHS Act Part 11	0

## WORK HEALTH AND SAFETY PERFORMANCE (Building Safety Excellence Targets)

Total new workplace injury claims	0
Significant injuries - where lost time exceeds one working week	0
Significant musculoskeletal injuries - where lost time exceeds one working week	0
Significant psychological injuries - where lost time exceeds one working week	0

# SATC ANNUAL REPORT 2015-16

# APPENDICES

FREEDOM OF INFORMATION STATEMENT

BOARD PERFORMANCE AGREEMENT

BOARD ATTENDANCE

OVERSEAS TRAVEL

USE OF CONSULTANTS

FRAUD

CONTRACTUAL ARRANGEMENTS

PUBLIC COMPLAINTS

# FREEDOM OF INFORMATION STATEMENT

## Freedom of Information Act 1991 Information Statement

### SECTION 9(2)(A) – STRUCTURE AND FUNCTIONS

In July 1993, the South Australian Tourism Commission was established by the Government of South Australia as a body corporate, pursuant to the South Australian Tourism Commission Act 1993. A board appointed by the Minister for Tourism administers the Act.

The principal goals of the South Australian Tourism Commission are to:

- ensure a co-ordinated approach to the promotion of South Australia, nationally and internationally, which results in an increase in visitor numbers to all regions of the state, thereby increasing the value of tourism to the economy and generating employment for South Australians
- attract, develop, support, stage and manage major and strategic events that generate substantial economic and social benefits for South Australia and promote the image and profile of Adelaide and South Australia
- ensure the development of South Australia's tourism resources in a socially responsible way with emphasis on the continued maintenance and preservation of South Australia's environmental and cultural heritage and the profitability and effective utilisation of infrastructure
- achieve a strong corporate team and positive corporate culture that uses its resources in the most effective and efficient manner.

### SECTION 9(2)(B) – SUMMARY FUNCTION

The purpose of the South Australian Tourism Commission is, on behalf of the State Government, to work in partnership with the tourism industry and other stakeholders in marketing South Australia, nationally and internationally, as a world-class tourist and event destination.

### SECTION 9(2)(C) – PUBLIC PARTICIPATION IN AGENCY POLICY DEVELOPMENT

The success of marketing South Australia as a premier tourist destination requires input from the tourism industry and stakeholders. The South Australian Tourism Commission welcomes feedback and comments on agency policy development through inviting various local government, tourism industry and community organisations to open forums and discussion groups held on formal and informal consultations.

### SECTION 9(2)(D) – DOCUMENTS HELD

- SATC Annual Report
- South Australian Tourism Plan 2020
- Various research and policy papers
- Occupational Health, Safety and Welfare Policy
- Various marketing and event brochures
- Regional Events and Festivals Program and Community Events Development Fund Application

### SECTION 9(2)(E) AND (F) – ACCESS TO DOCUMENTS

Requests under the FOI Act for access to documents in the possession of the South Australian Tourism Commission should be accompanied by a \$33.00 application fee (cheque or money order) and directed in writing to:

**The FOI Officer**  
**South Australian Tourism Commission**  
**GPO Box 1972**  
**ADELAIDE SA 5001**

After the first two hours spent by the Agency in dealing with the application and giving access, an additional fee of \$12.30 per 15 minutes applies and a deposit may be required. Where access is to be given in the form of a photocopy of the document (per page), a fee of 20 cents applies. Further fees may also apply, depending on the complexity of the application.

**Note:** If the applicant requires that a document be posted or delivered, the applicant must pay the actual costs incurred by the agency in posting or delivering the document.

On application for review by an agency of a determination made by the agency under Part 3 of the Act (section 29(2)(b)) = \$33.00

Access to documents listed under section 9(2)(d) can be arranged between 9.00am and 4.30pm, Monday to Friday, at Tower 2, 121-125 King William Street, Adelaide SA 5000, by contacting the FOI Officer, telephone (08) 8463 4518.

Copies of this information statement are available, free of charge, by contacting the FOI Officer. Other publications are also available on request.

# 2015-16 PERFORMANCE AGREEMENT

## Between the South Australian Tourism Commission Board and the Minister for Tourism

2015 / 2016

### PERFORMANCE AGREEMENT

#### KEY FOCUS

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The 2015-16 Board Performance Agreement with the Minister for Tourism directly flows from the *Premier's Economic Priority #5 (Tourism)* and *South Australian Tourism Plan 2020*, which together outline the strategic priorities and goals for tourism. The plans are whole-of-industry documents, which identify the key objectives for all tourism stakeholders to drive growth in tourism in South Australia.

The plans are consistent, and reaffirm the tourism industry expenditure potential of \$8.0 billion by 2020, and the waypoints for international visitors, interstate visitors and intrastate visitors.

The *South Australian Tourism Plan 2020* identifies five key Priority Action Areas:

- Driving demand
- Working better together
- Supporting what we have
- Increasing the recognition of the value of tourism
- Using events to grow visitation

The Board believes that achievement of the key priority action areas identified in the *South Australian Tourism Plan 2020* is critical to the future of the tourism industry in South Australia.

The *SATC Corporate Plan FY15-17*, a public document, implements the *Premier's Economic Priority #5* and the *South Australian Tourism Plan 2020* and establishes the planning framework for the SATC.

The *SATC Operational Plan 2015-16* goes one step further and sets out in detail the key focus areas and projects for the SATC in 2015-16 which address all 18 of the Objectives outlined in the *Premier's Economic Priority #5* and the Priority Action Areas of the *South Australian Tourism Plan 2020*. The *SATC Operational Plan 2015-16* also outlines the key areas of increased government investment as of July 2015, which include international marketing, domestic marketing and events.

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Based on the whole of Australia *Tourism 2020 Industry Potential* work, we have a shared goal with our industry to increase visitor expenditure in South Australia to between \$6.7 billion and \$8.0 billion by 2020.

- The base target of \$6.7 billion by 2020 is based on the State *holding* its current market share of national tourism expenditure, and growing expenditure in the State in line with the projected overall national growth.
- The full indicative potential target of \$8 billion by 2020 is based on State *growing* its current market share levels of national tourism expenditure.

# 2015-16 PERFORMANCE AGREEMENT

The table below shows the target milestones for both scenarios.

	Actual		Corporate Plan FY15-17			2020 Potential
	Dec 2013	Dec 2014	June 2015	June 2016	June 2017	Dec 2020
Hold Share	5.1	5.2	5.4	5.6	5.8	6.7
Full Potential			5.6	6.0	6.3	8.0

It should be noted that projecting tourism expenditure through to 2020 based purely on historic performance, which includes the period directly following the Global Financial Crisis, shows a 2020 result of \$6.1 billion. This is outlined in the *South Australian Tourism Plan 2020*. Improved performance above this level will be driven by stronger organic growth from the overall Australian tourism sector (to the 'Hold Share' level) and then market share gains for South Australia (to the 'Full Potential' level).

## Key Performance Indicators

The Board will set, refine and monitor the strategic direction of the SATC and will focus its deliberations on the following key performance indicators and targets:

- Grow total tourism expenditure in SA to \$6.7 billion to achieve a 'Hold Share' target, aspiring to \$8 billion to achieve a 'Full Indicative Potential' target by 2020, with an interim target milestone of \$5.6 billion to achieve 'Hold Share' and the 'Full Indicative Potential' of \$6.0 billion by 2015-16.
- Grow international tourism expenditure in SA to \$1.0b to achieve a 'Hold Share' target, aspiring to \$1.2 billion to achieve a 'Full Indicative Potential' target by 2020, with an interim target milestone of \$803 million to achieve 'Hold Share' and the 'Full Indicative Potential' of \$845 million by 2015-16.
- Grow direct jobs in the tourism industry in SA to 34,000 to achieve a 'Hold Share' target, aspiring to 41,000 jobs to achieve a 'Full Indicative Potential' target by 2020, with an interim target milestone of 32,000 to achieve 'Hold Share' and the 'Full Indicative Potential' of 33,000 by 2015-16.
- Grow airline seat capacity to 110,000 domestic seats and at least 11,500 international seats by 2020, working towards an interim target milestone of 89,000 domestic seats and at least 10,700 international seats by October 2016.
  - N.B. For several years Adelaide was the fastest growing Australian international airport, and a consolidation of this increased supply was expected. As such, the inbound seat capacity target is expressed as 'at least' 10,700 rather than a Hold Share and Full Potential measures as above.
- Increase the economic value of events to \$343 million to achieve a 'Hold Share' target, aspiring to \$400 million to achieve a 'Full Indicative Potential' target by 2020, with an interim target milestone of \$292 million to achieve 'Hold Share' and a 'Full Indicative Potential' of \$301 million by 2015-16.

(Please note that due to the regular time lag of the release of the National Visitor Survey and the International Visitor Survey results, information reporting against these KPIs will not be available until late September 2016 and therefore not included in the annual reporting, however a report will be provided to the Minister in addition to the regular reporting requirements once this information is available).

# 2015-16 PERFORMANCE AGREEMENT

## STRATEGIC PRIORITIES

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### Driving demand:

- Utilise the additional government investment for international and domestic marketing to drive the achievement of the 2020 tourism industry potential.
- Influence Brand perceptions, awareness, consideration and intention of the interstate target market via marketing campaigns and public relations activities that build brand and encourage visitation through retail distribution partners and via traditional and digital mechanisms.
- Continue intrastate marketing and public relations activities to increase consideration and visitation by South Australians within South Australia's 11 regions, via traditional and digital mechanisms.
- Deliver Brand, tactical marketing and public relations activities, in priority international countries and leverage this with partners using traditional and digital mechanisms.
- Provide targeted, Brand-aligned, user friendly content and images to help get shared messages out more strongly across our target markets and via multiple digital platforms including mobile, tablet and desktop.

### Working better together:

- Leverage third party Brand equity to further distribute South Australia's key marketing messages to all visitors through a wide range of partners.
- Implement the updated Destination Action Plans and actively partner with each region to deliver Tourism 2020 outcomes.

### Supporting what we have:

- Work with partners on maintaining and increasing access to and within South Australia, including through joint marketing initiatives.
- Work with Regional Tourism Organisations through the three-year funding agreement, as well as industry and other key players to better connect our tourism industry.

### Increasing the recognition of the value of tourism:

- Build on the current strong research program and make evidence based information available to increase the understanding of the value and relevance of tourism to our stakeholders.

### Using events to grow visitation:

- Utilise the additional government funding in the Major Events Bid Fund to secure and sponsor new leisure events, in conjunction with partners, to build a balanced calendar of events that grow visitation and support business and create employment opportunities for the State.
- Invest the additional government funding for the Santos Tour Down Under to ensure the event retains its place as Australia's premier cycling race and festival, and increases the economic and tourism benefits to the State.
- Manage the Adelaide Fashion Festival, using the event to promote South Australia to targeted domestic and international markets, which includes Asia (China focus initially) and drive further growth in the State's local fashion and creative industries.
- Focus sponsorships, including those targeted through the expanded Events Bidding Fund, on core strength areas such as arts and culture, food and wine, sport and mass participation, with a particular focus on off-peak periods and utilising key infrastructure.
- Develop the capacity building program for major, regional and local/ community events and festivals across the State.
- Increase awareness and consideration of South Australian hero events, through collaborative marketing, public relations and partnerships to trigger visitation.
- Ensure that the additional government funding for the jointly administered Convention Bid Fund is used to win those business events that are identified as best utilising newly completed infrastructure and delivering the highest economic return for the tourism industry. This recognises that increased business events activity will boost expenditure by high value visitors.

# 2015-16 PERFORMANCE AGREEMENT

## Organisational effectiveness:

- The SATC will implement the Government's restructure of the SATC, namely integrating the SAMSB into the SATC.
- Provide systems and support across all aspects of corporate services to maximise the effective and efficient use of SATC resources and ensure public accountability expectations are met.
- Embed a strong planning and performance monitoring approach that links long term planning and outcomes to the daily work of each individual in the office, covering strategic risk as well as operational risks.
- Embed organisational values and drive continual improvement through review processes.

## SIGNATURES

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We the undersigned do hereby agree to the outcomes outlined in the 2015-16 Performance Agreement between the South Australian Tourism Commission Board and the Minister for Tourism.

Signed:  Dated: 10/8/15  
Leon Bignell MP  
MINISTER FOR TOURISM

Signed:  Dated: 10/8/15  
Sean Keenihan  
CHAIR  
On behalf of the SOUTH AUSTRALIAN TOURISM COMMISSION BOARD



# BOARD ATTENDANCE

BOARD ATTENDANCE													
SATC Board Meeting	Jul-15	Aug-15	Sep-15	Oct-15	Nov	Dec-15	Jan	Feb-16	Mar-16	Apr	May-16	Jun-16	
Sean Keenihan						Apology							
Jane Jeffreys		Apology		Apology									
Ian Horne				Apology	NO BOARD MEETING		NO BOARD MEETING			NO BOARD MEETING			
John Irving				Apology		Acting Chair							
Brian Hayes		Apology	Apology										
Mark Young				Apology									
Julie Smith		Apology											
Fiona Hele													
Andrew Ford	Apology		Apology								Apology		
Jane Bates													
Jo Collins									Apology				
Rodney Harrex													
Jan Turnbull	Apology												

Jane Jeffreys' term expired on 7 March 2016

Brian Hayes' and Jan Turbill's terms expired on 1 October 2015

Andrew Ford and Julie Smith were appointed on 1 July 2015

Jayne Bates and Jo Collins were appointed on 1 October 2015

Fiona Hele was appointed on 21 April 2016

## OVERSEAS TRAVEL

Information on overseas travel by employees is available at [www.tourism.sa.gov.au/about-satc/annual-reports.aspx](http://www.tourism.sa.gov.au/about-satc/annual-reports.aspx)

## USE OF CONSULTANTS

Use of consultants for the year ended 30 June 2016

CONSULTANTS	PURPOSE OF CONSULTANCY	NUMBER	TOTAL(\$)
<b>BELOW \$10,000</b>			
<b>Subtotal</b>		<b>1</b>	<b>3 000</b>
<b>\$10,000 AND ABOVE</b>			
Diverse Travel Pty Ltd	Development of an Aboriginal tourism strategy		
Intersection 1 Pty Ltd	Business review of the SATC		
Fastrak Solutions Pty Ltd	Development of a China ready strategy and action plan for key stakeholders in the tourism industry		
KPPM Strategy Pty Ltd	Review of South Australian regional tourism dispersal structures and working relationships		
Three Consulting Pty Ltd	Development of a Chinese airline development strategy		
<b>Subtotal</b>		<b>5</b>	<b>200 095</b>
<b>TOTAL</b>		<b>6</b>	<b>203 095</b>

## FRAUD

The SATC has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and policies, in line with its fraud risk assessment and fraud control plan. These arrangements meet the specific needs of the SATC, and all reasonable measures to minimise the incidence of fraud, as well as to investigate and recover the proceeds of fraud, have been taken. There were no reported fraud incidents during 2015-16.

## CONTRACTUAL ARRANGEMENTS

Information on contracts disclosed by the South Australian Tourism Commission in accordance with the Department of the Premier and Cabinet Circular PC027 - Disclosure of Government Contracts is available at [www.tenders.sa.gov.au](http://www.tenders.sa.gov.au)

## PUBLIC COMPLAINTS

The SATC did not receive any public complaints during 2015-16.

# FINANCIAL STATEMENTS

*Fleurieu Peninsula*

SOUTH AUSTRALIAN TOURISM COMMISSION

# CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached general purpose financial statements for the South Australian Tourism Commission (the Commission):

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Commission; and
- present a true and fair view of the financial position of the Commission as at 30 June 2016 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Commission for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

*Signed in accordance with a resolution of the board members.*



**S. Keenihan**  
Chairman

South Australian Tourism  
Commission Board

15/09/2016



**R. Harrex**  
Chief Executive Officer

South Australian Tourism  
Commission

14/09/2016



**C. Miller**  
General Manager  
Finance and Business Services  
South Australian Tourism  
Commission

14/09/2016

SOUTH AUSTRALIAN TOURISM COMMISSION  
**STATEMENT OF COMPREHENSIVE INCOME**  
 FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$'000	2015 \$'000
<b>EXPENSES</b>			
Employee benefits expenses	5	13 857	10 210
Advertising and promotion	6	37 430	21 091
Industry assistance	7	9 857	11 052
Administration and accommodation	8	9 344	6 100
Event operations	9	38 042	11 310
Depreciation expense	10	1 896	497
<b>TOTAL EXPENSES</b>		<b>110 426</b>	60 260
<b>INCOME</b>			
Sponsorship and participation	11	10 025	5 426
Entry fees, sales and commission	12	15 017	1 387
Refunds and recoups		736	636
Interest		360	-
Other income	13	1 280	435
Net gain from the disposal of non-current assets	14	-	1
<b>TOTAL INCOME</b>		<b>27 418</b>	7 885
<b>NET COST OF PROVIDING SERVICES</b>		<b>83 008</b>	52 375
<b>REVENUES FROM SA GOVERNMENT</b>			
Revenues from SA Government	15	83 101	54 483
<b>TOTAL REVENUES FROM SA GOVERNMENT</b>		<b>83 101</b>	54 483
<b>NET RESULT</b>		<b>93</b>	2 108
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in plant and equipment revaluation reserve	18	-	146
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	146
<b>TOTAL COMPREHENSIVE RESULT</b>		<b>93</b>	2 254

The net result and total comprehensive result are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

**STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2016

	Note	2016 \$'000	2015 \$'000
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	16	10 819	4 410
Receivables	17	1 853	1 049
Other current assets		239	-
TOTAL CURRENT ASSETS		12 911	5 459
NON-CURRENT ASSETS			
Plant and equipment	18	13 007	1 869
Other non-current assets		22	-
TOTAL NON-CURRENT ASSETS		13 029	1 869
<b>TOTAL ASSETS</b>		<b>25 940</b>	<b>7 328</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Payables	20	4 258	2 717
Other current liabilities	21	1 519	154
Employee benefits	22	1 214	1 050
Provisions	23	13	11
TOTAL CURRENT LIABILITIES		7 004	3 932
NON-CURRENT LIABILITIES			
Payables	20	131	120
Other non-current liabilities	21	472	321
Employee benefits	22	1 859	1 530
Provisions	23	23	25
TOTAL NON-CURRENT LIABILITIES		2 485	1 996
<b>TOTAL LIABILITIES</b>		<b>9 489</b>	<b>5 928</b>
<b>NET ASSETS</b>		<b>16 451</b>	<b>1 400</b>
<b>EQUITY</b>			
Contributed capital		64	64
Retained earnings		13 737	1 190
Asset revaluation surplus		2 650	146
<b>TOTAL EQUITY</b>	24	<b>16 451</b>	<b>1 400</b>
The total equity is attributable to the SA Government as owner.			
Unrecognised contractual commitments	25		

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Note	Contributed Capital \$'000	Revaluation Surplus \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>BALANCE AT 30 JUNE 2014</b>		64	-	-	(918)	(854)
Net result for 2014-15		-	-	-	2 108	2 108
Gain on revaluation of plant and equipment during 2014-15	18	-	146	146	-	146
Total comprehensive result for 2014-15		-	146	146	2 108	2 254
<b>BALANCE AT 30 JUNE 2015</b>		64	146	146	1 190	1 400
Net result for 2015-16		-	-	-	93	93
Total comprehensive result for 2015-16		-	-	-	93	93
Transactions with SA Government as owner		-	-	-	-	-
Net assets received from an administrative restructure	27	-	2 504	2 504	12 454	14 958
<b>BALANCE AT 30 JUNE 2016</b>	24	64	2 650	2 650	13 737	16 451

All changes in equity are attributed to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Inflows (Outflows) \$'000	2015 Inflows (Outflows) \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
CASH OUTFLOWS			
Employee benefits payments		(13 614)	(9 914)
Payments for supplies and services		(100 347)	(52 831)
Payments for Paid Parental Leave scheme		(80)	(54)
CASH USED IN OPERATIONS		<b>(114 041)</b>	<b>(62 799)</b>
CASH INFLOWS			
Receipts from the sale of goods and services		27 180	8 413
Interest received		360	-
GST recovered from the ATO		5 371	3 126
Receipts for Paid Parental Leave scheme		80	60
CASH GENERATED FROM OPERATIONS		<b>32 991</b>	<b>11 599</b>
CASH FLOWS FROM SA GOVERNMENT			
Receipts from SA Government		83 101	54 483
CASH GENERATED FROM SA GOVERNMENT		<b>83 101</b>	<b>54 483</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	29	<b>2 051</b>	<b>3 283</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
CASH OUTFLOWS			
Purchase of plant and equipment		(449)	(161)
CASH USED IN INVESTING ACTIVITIES		<b>(449)</b>	<b>(161)</b>
CASH INFLOWS			
Proceeds from sale of plant and equipment		2	1
CASH GENERATED FROM INVESTING ACTIVITIES		<b>2</b>	<b>1</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(447)</b>	<b>(160)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
CASH INFLOWS			
Cash received from restructuring activities	27	4 805	-
CASH GENERATED FROM FINANCING ACTIVITIES		<b>4 805</b>	<b>-</b>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>4 805</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>6 409</b>	<b>3 123</b>
CASH AND CASH EQUIVALENTS AT 1 JULY		4 410	1 287
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	16	<b>10 819</b>	<b>4 410</b>

The above statement should be read in conjunction with the accompanying notes.



## DISAGGREGATED DISCLOSURES – EXPENSES AND INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Tourism Development		Tourism Events		Tourism Marketing		Total
	2016	2015	2016	2015	2016	2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EXPENSES</b>							
Employee benefits expenses	3 482	1 390	5 714	2 696	4 661	6 124	10 210
Advertising and promotion	930	748	7 005	2 582	29 495	17 761	21 091
Industry assistance	3 279	1 776	5 562	6 475	1 016	2 801	11 052
Administration and accommodation	988	687	4 965	1 510	3 391	3 903	6 100
Event operations	112	89	37 929	10 994	1	227	11 310
Depreciation expense	46	44	1 709	234	141	219	497
<b>TOTAL EXPENSES</b>	<b>8 837</b>	<b>4 734</b>	<b>62 884</b>	<b>24 491</b>	<b>38 705</b>	<b>31 035</b>	<b>60 260</b>
<b>INCOME</b>							
Sponsorship and participation	-	-	9 705	4 391	320	1 035	5 426
Entry fees, sales and commission	-	-	14 994	1 363	23	24	1 387
Refunds and recoups	139	2	590	304	7	330	636
Interest	-	-	360	-	-	-	-
Other income	77	78	1 001	70	202	287	435
Net gain from the disposal of non-current assets	-	-	-	-	-	1	1
<b>TOTAL INCOME</b>	<b>216</b>	<b>80</b>	<b>26 650</b>	<b>6 128</b>	<b>552</b>	<b>1 677</b>	<b>7 885</b>
<b>NET COST OF PROVIDING SERVICES</b>	<b>8 621</b>	<b>4 654</b>	<b>36 234</b>	<b>18 363</b>	<b>38 153</b>	<b>29 358</b>	<b>52 375</b>
<b>REVENUES FROM SA GOVERNMENT</b>							
Revenues from SA Government	9 297	4 809	36 009	19 360	37 795	30 314	54 483
<b>TOTAL REVENUES FROM SA GOVERNMENT</b>	<b>9 297</b>	<b>4 809</b>	<b>36 009</b>	<b>19 360</b>	<b>37 795</b>	<b>30 314</b>	<b>54 483</b>
<b>NET RESULT</b>	<b>676</b>	<b>155</b>	<b>(225)</b>	<b>997</b>	<b>(358)</b>	<b>956</b>	<b>2 108</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
Changes in plant and equipment revaluation reserve	-	18	-	41	-	87	146
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>87</b>	<b>146</b>
<b>TOTAL COMPREHENSIVE RESULT</b>	<b>676</b>	<b>173</b>	<b>(225)</b>	<b>1 038</b>	<b>(358)</b>	<b>1 043</b>	<b>2 254</b>

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## 1. Objectives of the South Australian Tourism Commission

The purpose of the South Australian Tourism Commission (the Commission) established under the *South Australian Tourism Commission Act 1993* is to assist in securing economic and social benefits for the people of South Australia through the promotion of South Australia as a tourism destination and the further development and improvement of the State's tourism industry. The principal goals of the Commission are to:

- add value to the efforts of the tourism industry and other government agencies, by ensuring a coordinated approach to the promotion of South Australia which results in an increase in visitor numbers to all regions of the State thereby increasing the value of tourism to the economy and generating employment for South Australians;
- attract, develop, own and support major and strategic events that generate substantial economic and social benefits for South Australia and promote the image and profile of Adelaide and South Australia;
- ensure the development of South Australia's tourism resources in a socially responsible way with emphasis on the continued maintenance and preservation of South Australia's environmental and cultural heritage and the profitability and effective utilisation of infrastructure; and
- achieve a strong corporate team and positive corporate culture that uses its resources in the most effective and efficient manner.

The functions and powers of the Commission in relation to motor sport are established under the *South Australian Motor Sport Act 1984*, and include the promotion of motor sport events and the establishment of a motor racing circuit on a temporary basis.

## 2. Summary of Significant Accounting Policies

### (a) Statement of Compliance

The Commission has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Commission has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Commission is a not-for-profit entity.

Except for AASB 2015-7 which the Commission has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Commission for the reporting period ending 30 June 2016. Refer to note 3.

### (b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Commission's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies to be selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in this financial report:
  - a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature;
  - b) expenses incurred as a result of engaging consultants;
  - c) employee targeted voluntary separation package information;
  - d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the Commission to those employees; and
  - e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Commission's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared on a twelve month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented.

**(c) Reporting Entity**

The Commission is a statutory authority of the State of South Australia, established pursuant to the *South Australian Tourism Commission Act 1993*.

The financial statements and accompanying notes include all the controlled activities of the Commission. The Commission does not control any other entity and has no interests in unconsolidated structured entities. In forming this view, the Commission considered its involvement with Australian Tourism Data Warehouse Limited (ATDW) and determined that it does not control ATDW. In making this assessment, the Commission considered its power over ATDW, its exposure or rights including protective and substantive rights to variable returns from its involvement with ATDW and the ability to use its power to affect return amounts (that is the ability to direct relevant major activities).

The Commission has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

**(d) Financial Arrangements**

The Commission's principal source of funding consists of monies appropriated by Parliament. The Commission is reliant on the continued provision of funding by SA Government. The financial activities of the Commission are primarily conducted through a Special Deposit Account pursuant to section 21 of the *Public Finance and Audit Act 1987*.

**(e) Transferred Functions**

The *Statutes Amendment (Boards and Committees – Abolition and Reform) Act 2015* dissolved the South Australian Motor Sport Board (SAMSBS) and vested its assets and liabilities at 1 July 2015 in the Commission. By notice in the Government Gazette all employees of SAMSBS were transferred to employment by the employing authority under the *South Australian Tourism Commission Act 1993* from 1 July 2015. Refer to note 27.

**(f) Budgeted Amounts**

Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Paper 4). Budget information has been included for the Statement of Comprehensive Income and for Investment Expenditure. Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements is not budgeted for on the same basis and is determined in a different manner to financial statement information. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures or machinery of government changes. The budget process is not subject to audit.

**(g) Comparative Information**

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or Accounting Policy Statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable. The restated comparative amounts do not replace the original financial statements for the preceding period.

**(h) Rounding**

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

**(i) Taxation**

The Commission is not subject to income tax. The Commission is liable for payroll tax, fringe benefits tax and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the ATO is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO. If GST is not payable to, or recoverable from the ATO, the commitments are disclosed on a gross basis.

**(j) Events after the Reporting Period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have material impact on the results of subsequent years.

**(k) Income**

Income is recognised to the extent that it is probable that the flow of economic benefits to the Commission will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transactions or other event.

The following are specific recognition criteria:

Contributions received

Contributions are recognised as an asset and income when the Commission obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met (that is, the amount can be reliably measured and the flow of resources is probable).

Generally, the Commission has obtained control or the right to receive for:

- Contributions with unconditional stipulations - this will be when the agreement becomes enforceable, that is, the earlier of when the receiving entity has formally been advised that the contribution has been approved; the agreement/contract is executed; and/or the contribution is received.
- Contributions with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

All contributions received by the Commission have been contributions with unconditional stipulations attached and have been recognised as an asset and income upon receipt.

Revenues from SA Government

Appropriations for program funding are recognised as revenues when the Commission obtains control over the funding. Control over appropriations is normally obtained upon receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the Commission and the contribution is recorded as contributed equity.

Sponsorship and participation

The Commission earns income from participants in the tourism industry through cooperative marketing schemes, sponsorship of events, subscriptions and training fees.

Entry fees, sales and commission

Income from entry fees, licence fees, car parking and merchandise sales is derived in respect of events owned and managed by the Commission. Commission consists of income earned on online sales made through the Commission's website (southaustralia.com).

Other income

Other income consists of rental income, gain on foreign exchange and sundry income.

Net gain from the disposal of non-current assets

Income from the disposal of non-current assets is recognised when control of the asset has passed to the buyer and has been determined by comparing proceeds with carrying amount. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

**(l) Expenses**

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Commission will occur and can be reliably measured. Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Employee benefits expenses

Employee benefits expenses include all costs related to employment including salaries and wages, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Commission to the superannuation plan in respect of current services of current Commission staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

Industry assistance

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and the expense recognition criteria are met. All contributions paid by the Commission have been contributions with unconditional stipulations attached.

Depreciation

All non-current assets, having limited useful lives, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate,

which is a change in accounting estimate. The value of fitouts is amortised over the estimated useful life of each fitout, or the unexpired period of the relevant lease, whichever is shorter.

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

<i>Class of asset</i>	<i>Useful life (years)</i>
General and events plant and equipment	5-10
Pageant plant and equipment	5-33
Fitouts	3-10
Motor sport plant and equipment	2-20

**(m) Current and Non-Current Classification**

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

**(n) Assets**

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event. Where an asset line item combines amounts expected to be recovered within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be recovered after more than twelve months.

Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from goods and services, GST input tax credits recoverable, prepayments and other accruals.

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the goods and services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised where there is objective evidence that the Commission will not be able to collect the debt. Bad debts are written off when identified.

Other Assets

Other assets consists of a lease incentive received in the form of rent-free periods. As such it is capitalised as an asset and amortised over the terms of the rent-free period.

Non-current assets

*Acquisition and recognition*

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

All non-current tangible assets with a value equal to or in excess of \$10 000 are capitalised. All Pageant Floats, regardless of their value, are recognised as non-current assets in the Statement of Financial Position. Pageant Floats are recorded at historic cost less accumulated depreciation.

Non-current assets acquired at no or nominal value as part of an administrative restructure are recognised at book value, that is the amount recorded by the transferor public authority immediately prior to the restructure.

*Revaluation of non-current assets*

All non-current tangible assets are valued at fair value and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years. Every three years, the Commission revalues its fitouts using internal estimates based on indices or recent transactions. A valuation appraisal by a Certified Practising Valuer is performed at least every six years.

If at any time, management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

Any revaluation increment is credited to the asset revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in

revaluations reserve for that asset class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset. Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

#### *Impairment*

All non-current tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. For revalued assets, an impairment loss is offset against the respective asset revaluation surplus.

#### Fair Value measurement

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date. The Commission classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The valuation processes and fair value changes are reviewed by the Chief Financial Officer at each reporting date.

#### *Non-financial assets*

In determining fair value, the Commission has taken into account the characteristic of the asset, such as the condition and location of the asset and any restrictions on the sale or use of the asset, and the asset's highest and best use (that is physically possible, legally permissible and financially feasible). The Commission's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Commission has not identified any factors to suggest an alternative use, fair value measurement is based on current use.

The carrying amount of non-financial assets with a fair value at the time of acquisition which was less than \$1 million, or an estimated useful life that was less than three years, are deemed to approximate fair value. Refer to notes 18 and 19 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

#### *Financial assets/liabilities*

The Commission does not recognise any financial assets or financial liabilities at fair value.

### **(o) Liabilities**

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event. Where a liability line item combines amounts expected to be settled within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be settled after more than twelve months.

#### Payables

Payables include creditors, accrued expenses, employment on-costs and Paid Parental Leave scheme payable.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Commission.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice had not been received.

The Paid Parental Leave scheme payable represents amounts which the Commission has received from the Commonwealth Government to forward onto eligible employees via the Commission's standard payroll processes. That is, the Commission is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include payroll tax, workers compensation levies and superannuation contributions in respect to outstanding liabilities for salary and wages, long service leave, annual leave and skills and experience retention leave.

The Commission makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at balance date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

#### Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement. The Commission has entered into operating leases.

#### *Operating leases*

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.



#### *Lease incentives*

All incentives for the operating lease for office accommodation are recognised as an integral part of the net consideration agreed for the use of the leased accommodation. Incentives received to enter into operating leases are recognised as a liability.

The aggregate benefits of lease incentives received by the Commission in respect of operating leases have been recorded as a reduction of rental expense over the lease term, on a straight line basis.

Lease incentives received are in the form of fitouts and rent-free periods, and as such are capitalised as assets and depreciated or amortised over the remaining term of the lease, estimated useful life of the asset or terms of the rent-free periods, whichever is shorter.

#### Employee Benefits

Employee benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

#### *Salaries, wages, annual leave, skills and experience retention leave and sick leave*

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

#### *Long service leave*

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of services. These assumptions are based on employee data over SA government entities. Expected future payments are discounted using market yields at the end of the reporting periods on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

Current long service leave reflects the portion of leave expected to be settled within the next twelve months based on previous experience. All other long service leave is classified as non-current.

#### Provisions

Provisions are recognised when the Commission has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Commission expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted for the time value of money and the risks specific to the liability.

The workers compensation provision is an actuarial estimate of the outstanding liability as at 30 June 2016 provided by a consulting actuary engaged by the Office for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The Commission is responsible for the payment of workers compensation claims.

#### **(p) Unrecognised Contractual Commitments and Contingent Assets and Liabilities**

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources are disclosed at their nominal value.

Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO. If GST is not payable to, or recoverable from the ATO, the commitments and contingencies are disclosed on a gross basis.

#### **(q) Foreign Currency**

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Associated currency gains and losses, where material, are disclosed separately in note 8 and note 13 to the Statement of Comprehensive Income.

### **3. New and Revised Accounting Standards and Policies**

The Commission did not voluntarily change any of its accounting policies during 2015-16.

Except for AASB 2015-7 which the Commission has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Commission for the period ending 30 June 2016. The Commission has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Commission except as outlined below.

AASB 16 Leases will apply for the first time in the 30 June 2020 financial report. This standard will require all leased items to be recognised in the statement of financial position as assets representing the value of that which is leased, and liabilities representing expected future lease payments. Depending on the lease arrangements entered into by the Commission at the time, it is estimated that significant assets and liabilities could be recognised and amortised over the lease terms.

#### 4. Activities of the Commission

In achieving its objectives, the Commission provides a range of services classified into the following activities:

##### Activity 1: Tourism Development

Promote and assist tourism development, improve visitor access into and around the state, and advise industry in terms of research, policy and planning.

##### Activity 2: Tourism Events

To strategically build and promote the state's event calendar by developing and attracting new events and managing and growing existing events.

##### Activity 3: Tourism Marketing

Develop and implement marketing activities and campaigns to increase the number of international, national and local visitors to and within South Australia.

The disaggregated disclosures schedule presents expenses and income information attributable to each of the activities for the years ended 30 June 2016 and 30 June 2015. Expenses and income attributed to the Commission as a whole have been proportionally allocated to each of the activities on the basis of full time equivalent employees in each of the activities. A disaggregated disclosure of the Commission's assets and liabilities has not been provided as the information is not reliably available.

#### 5. Employee Benefits Expenses

	2016 \$'000	2015 \$'000
Salaries and wages	10 566	7 747
TVSPs (refer below)	148	-
Long service leave	401	317
Annual leave	862	680
Skills and experience retention leave	36	20
Employment on-costs – superannuation	1 042	809
Employment on-costs – other	632	480
Board fees	153	157
Other employment related expenses	17	-
Total employee benefits expenses	<u>13 857</u>	<u>10 210</u>

##### Targeted Voluntary Separation Packages (TVSPs)

	2016 \$'000	2015 \$'000
Amount paid during the reporting period to separated employees:		
TVSPs	148	-
Annual leave and long service leave paid to those employees	79	-
Net cost to the Commission	<u>227</u>	<u>-</u>

The number of employees who received a TVSP during the reporting period was 3 (0).

##### Remuneration of Employees

The number of employees whose remuneration received or receivable falls within the following bands:

	2016 Number	2015 Number
\$145 001 - \$155 000	1	1
\$155 001 - \$165 000	1	-
\$165 001 - \$175 000	1	1
\$175 001 - \$185 000	1	-
\$185 001 - \$195 000	1	1
\$195 001 - \$205 000	1	-
\$205 001 - \$215 000	-	1
\$215 001 - \$225 000	1	-
\$345 001 - \$355 000	-	1
\$395 001 - \$405 000	1	-
\$475 001 - \$485 000	1	-
Total number of employees	<u>9</u>	<u>5</u>

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment and includes salaries and wages, termination payments, TVSPs, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$2 132 000 (\$1 063 000).

<b>6. Advertising and Promotion</b>		<b>2016</b>	2015
		<b>\$'000</b>	\$'000
Consumer advertising		<b>14 043</b>	7 265
Cooperative consumer marketing		<b>9 030</b>	3 334
Familiarisations		<b>1 795</b>	1 501
Other consumer marketing		<b>383</b>	247
Production		<b>5 664</b>	3 514
Marketing research		<b>1 114</b>	922
Trade marketing		<b>796</b>	1 401
Other advertising and promotion		<b>4 605</b>	2 907
Total advertising and promotion		<b>37 430</b>	21 091
<b>7. Industry Assistance</b>		<b>2016</b>	2015
		<b>\$'000</b>	\$'000
Sponsorship of events		<b>6 180</b>	7 600
Tourism infrastructure grants		<b>12</b>	231
Tourism marketing boards/information centre grants		<b>371</b>	354
Marketing/industry support		<b>3 234</b>	2 798
Trade show subsidies/membership of tourism industry bodies		<b>60</b>	69
Total industry assistance		<b>9 857</b>	11 052
<b>8. Administration and Accommodation</b>		<b>2016</b>	2015
		<b>\$'000</b>	\$'000
Communication and computing		<b>2 138</b>	1 971
Stationery, postage, couriers and freight		<b>164</b>	101
Contractors and consultants		<b>259</b>	246
Motor vehicles, taxis and car parking		<b>280</b>	246
Domestic and international travel		<b>847</b>	578
Seminars, courses and training		<b>89</b>	118
Accommodation and service costs		<b>2 969</b>	2 067
Bad and doubtful debts expense		<b>534</b>	-
Loss on foreign exchange		<b>257</b>	20
Insurance		<b>376</b>	173
Audit, legal and other fees		<b>546</b>	410
Plant and equipment derecognised		<b>629</b>	-
Other		<b>256</b>	170
Total administration and accommodation		<b>9 344</b>	6 100
<b>Consultants</b>		<b>2016</b>	2015
The number and dollar amount of consultancies paid/payable (included in administration and accommodation) that fell within the following bands:		<b>No.</b>	<b>\$'000</b>
Below \$10 000		<b>1</b>	<b>3</b>
\$10 000 and above		<b>5</b>	<b>200</b>
Total paid/payable to the consultants engaged		<b>6</b>	<b>203</b>
<b>9. Event Operations</b>		<b>2016</b>	2015
		<b>\$'000</b>	\$'000
Event facilities		<b>8 471</b>	1 749
Construction		<b>6 208</b>	-
Catering and entertainment		<b>4 945</b>	744
Communications		<b>936</b>	463
Transport		<b>329</b>	198
Participants and contractors		<b>9 734</b>	5 292
Television and media		<b>3 016</b>	1 898
Event management		<b>4 403</b>	966
Total event operations		<b>38 042</b>	11 310

<b>10. Depreciation Expense</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
General plant and equipment	15	88
Pageant plant and equipment	146	132
Motor sport plant and equipment	1 371	-
Fitouts	364	277
Total depreciation expense	<b>1 896</b>	497
<b>11. Sponsorship and Participation</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Sponsorship income	8 334	4 319
Cooperative marketing/advertising	249	260
Industry participation fees	187	563
In-kind income	1 255	284
Total participation fees	<b>10 025</b>	5 426
<b>12. Entry Fees, Sales and Commission</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Event entry fees	12 459	824
Licence fees	2 468	530
Sale of merchandise	90	28
Commission on sales	-	5
Total entry fees, sales and commission	<b>15 017</b>	1 387
<b>13. Other Income</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Gain on foreign exchange	225	286
Gain on derecognition of financial liabilities	934	-
Rental income	79	78
Sundry income	42	71
Total other income	<b>1 280</b>	435
<b>14. Net Gain from the Disposal of Non-Current Assets</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Plant and equipment		
Proceeds from disposal	2	1
Net book value of assets disposed	(2)	-
Total net gain from the disposal of non-current assets	-	1
<b>15. Revenues from SA Government</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	69 495	53 335
Other revenues from SA Government	13 606	1 148
Total revenues from SA Government	<b>83 101</b>	54 483

Total revenues from SA Government consist of \$82 131 000 (\$54 353 000) of operational funding and \$970 000 (\$130 000) for capital purposes. For details on the expenditure associated with the operational and capital funding received refer to notes 5 to 10 and note 18. There was no material variance between the amount appropriated and the expenditure associated with this appropriation.

The original amount appropriated to the Commission under the annual *Appropriation Act* was \$69 007 000 (\$50 502 000). An additional \$488 000 (\$2 833 000) was received from the Treasurer via the Governor's Appropriation Fund.

<b>16. Cash and Cash Equivalents</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Cash on hand	<b>4</b>	3
Cash at bank	<b>8 873</b>	2 859
Deposits with the Treasurer	<b>1 942</b>	1 548
Total cash and cash equivalents	<b>10 819</b>	4 410

**Deposits with the Treasurer**

Includes funds held in the Accrual Appropriation Excess Funds Account. The balance of these funds is not available for general use, and can only be used in accordance with the Treasurer's or Under Treasurer's approval.

**Interest Rate Risk**

Cash on hand and at bank is non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

**Non-cash Financing and Investing Activities**

During the reporting period the Commission assumed the liabilities of SAMSB amounting to \$4 202 000. The assumption of liabilities is not reflected in the Statement of Cash Flows.

<b>17. Receivables</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Current:		
Receivables	<b>1 533</b>	317
Allowance for doubtful debts	<b>(534)</b>	-
	<b>999</b>	317
GST input tax recoverable	<b>651</b>	630
Accrued revenues	<b>41</b>	-
Prepayments	<b>162</b>	102
Total receivables	<b>1 853</b>	1 049

**Movement in the Allowance for Doubtful Debts**

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (that is, calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired. An allowance for impairment loss has been recognised under "administration and accommodation" in the Statement of Comprehensive Income for specific debtors for which such evidence exists.

Movement in the allowance for doubtful debts (allowance for impairment loss)	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Carrying amount at 1 July	-	-
Increase in the allowance	<b>534</b>	-
Increase as a result of an administrative restructure	<b>5</b>	-
Amounts written off	<b>(5)</b>	-
Carrying amount at 30 June	<b>534</b>	-

**Interest Rate and Credit Risk**

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 32 for categorisation of financial instruments, maturity analysis of receivables and risk exposure information.

<b>18. Plant and Equipment</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
General plant and equipment		
At cost (deemed fair value)	<b>349</b>	348
Accumulated depreciation at the end of the period	<b>(325)</b>	(309)
Total general plant and equipment	<b>24</b>	39
Pageant plant and equipment		
At cost (deemed fair value)	<b>1 900</b>	1 804
Accumulated depreciation at the end of the period	<b>(1 004)</b>	(930)
Total Pageant plant and equipment	<b>896</b>	874
Motor sport infrastructure		
At cost (deemed fair value)	<b>1 379</b>	-
Accumulated depreciation at the end of the period	<b>(929)</b>	-
At fair value	<b>13 214</b>	-
Accumulated depreciation at the end of the period	<b>(2 496)</b>	-
Total motor sport infrastructure	<b>11 168</b>	-
Fitouts		
At cost (deemed fair value)	<b>805</b>	373
Accumulated depreciation at the end of the period	<b>(513)</b>	(316)
At fair value	<b>899</b>	899
Accumulated depreciation at the end of the period	<b>(272)</b>	-
Total fitouts	<b>919</b>	956
Total plant and equipment	<b>13 007</b>	1 869

**Carrying Amount of Plant and Equipment**

In accordance with APF III all items of plant and equipment that had a fair value at the time of acquisition which was less than \$1 million or an estimated useful life less than three years have not been revalued. The carrying values of these items are deemed to approximate fair value. These assets are classified in level 3 as there have been no subsequent adjustments to their value, except for management assumptions about the assets' condition and remaining useful life.

Plant and equipment includes \$1 131 000 (\$410 000) of fully depreciated plant and equipment still in use.

**Impairment**

There were no indications of impairment of plant and equipment at 30 June 2016.

**Reconciliation of Non-Current Assets**

The following table shows the movement of non-current assets during 2015-16

<b>2016</b>	General Plant & Equipment \$'000	Pageant Plant & Equipment \$'000	Motor Sport Infrastructure \$'000	Fitouts \$'000	<b>Total \$'000</b>
Carrying amount at 1 July	39	874	-	956	<b>1 869</b>
Additions	-	170	202	77	<b>449</b>
Acquisition through an administrative restructure	22	-	12 944	250	<b>13 216</b>
Disposals	-	(2)	-	-	<b>(2)</b>
Derecognition of plant and equipment	(22)	-	(607)	-	<b>(629)</b>
Depreciation	(15)	(146)	(1 371)	(364)	<b>(1 896)</b>
Carrying amount at 30 June	<b>24</b>	<b>896</b>	<b>11 168</b>	<b>919</b>	<b>13 007</b>

The following table shows the movement of non-current assets during 2014-15

<b>2015</b>	General Plant & Equipment \$'000	Pageant Plant & Equipment \$'000	Motor Sport Infrastructure \$'000	Fitouts \$'000	<b>Total \$'000</b>
Carrying amount at 1 July	127	845	-	1 087	<b>2 059</b>
Additions	-	161	-	-	<b>161</b>
Revaluation increment	-	-	-	146	<b>146</b>
Depreciation	(88)	(132)	-	(277)	<b>(497)</b>
Carrying amount at 30 June	<b>39</b>	<b>874</b>	<b>-</b>	<b>956</b>	<b>1 869</b>

**19. Fair Value Measurement****Fair Value Hierarchy**

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Commission categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 30 June 2016.

The Commission had no valuations categorised into level 1 or level 2.

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
<b>Level 3</b>		
Recurring fair value measurements		
General plant and equipment	<b>24</b>	39
Pageant plant and equipment	<b>896</b>	874
Motor sport plant and equipment	<b>11 168</b>	-
Fitouts	<b>919</b>	956
Total recurring fair value measurements	<b>13 007</b>	1 869

**Valuation Techniques and Inputs**

Valuation techniques used to derive level 3 fair values are at note 2(n). There were no changes in valuation techniques during 2016.

**Reconciliation of Level 3 Recurring Fair Value Measurements**

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3)

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Plant and Equipment		
Opening balance at 1 July	<b>1 869</b>	2 059
Capitalised subsequent expenditure	<b>449</b>	161
Acquisition through an administrative restructure	<b>13 216</b>	-
Disposals	<b>(2)</b>	-
Losses for the period recognised in net result		
Depreciation	<b>(1 896)</b>	(497)
Derecognition of plant and equipment	<b>(629)</b>	
Gains for the period recognised in other comprehensive result		
Revaluation increment	-	146
Carrying amount at 30 June	<b>13 007</b>	1 869

**20. Payables**

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Current:		
Creditors	<b>1 484</b>	1 579
Accrued expenses	<b>2 550</b>	963
Employment on-costs	<b>218</b>	169
Paid Parental Leave scheme payable	<b>6</b>	6
Total current payables	<b>4 258</b>	2 717
Non-Current:		
Employment on-costs	<b>131</b>	120
Total non-current payables	<b>131</b>	120
Total payables	<b>4 389</b>	2 837

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the average proportion of long service leave taken as leave at a whole of government level increased from an estimate of 37% (2015) to 40% (2016). In accordance with APF IV, management has determined that the Commission's experience has been sufficiently different over several years to render the use of this average unreliable. The percentage of long service leave taken as leave is 19.4% (26.7%). The average factor for the calculation of employer superannuation contribution on-cost decreased from 10.3% (2015) to 10.2% (2016). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in employment on-costs of \$17 000. The estimated impact on 2017 and 2018 is \$18 000 and \$19 000 respectively.

**Interest Rate and Credit Risk**

Creditors and accruals are raised for amounts billed but unpaid. Sundry creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

Refer to note 32 for categorisation of financial instruments, maturity analysis of payables and risk exposure information.

<b>21. Other Liabilities</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Current:		
Lease incentive	<b>198</b>	154
Unclaimed monies	<b>19</b>	-
Unearned revenue	<b>1 143</b>	-
Foreign exchange forward contracts	<b>159</b>	-
Total current other liabilities	<b>1 519</b>	154
Non-Current:		
Lease incentive	<b>472</b>	321
Total non-current other liabilities	<b>472</b>	321
Total other liabilities	<b>1 991</b>	475

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

<b>22. Employee Benefits</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Current:		
Annual leave	<b>707</b>	598
Long service leave	<b>279</b>	259
Skills and experience retention leave	<b>46</b>	31
Accrued salaries and wages	<b>182</b>	162
Total current employee benefits	<b>1 214</b>	1 050
Non-Current:		
Long service leave	<b>1 859</b>	1 530
Total non-current employee benefits	<b>1 859</b>	1 530
Total employee benefits	<b>3 073</b>	2 580

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. An actuarial assessment performed by the Department of Treasury and Finance has provided the basis for the measurement of long service leave.

AASB 119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has decreased from 3.0% (2015) to 2.0% (2016). This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability.

The net financial effect of the change in the bond rate in the current financial year is an increase in the long service leave liability of \$148 000, employment on-costs payables of \$11 000 and employee benefits expense of \$159 000. The impact in future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions, of which a key assumption is the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4.0% for long service leave and 3.0% for annual leave and skills and experience retention leave. As a result there is no net financial effect.

<b>23. Provisions</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Current:		
Provision for workers compensation	<b>13</b>	11
Total current provisions	<b>13</b>	11
Non-Current:		
Provision for workers compensation	<b>23</b>	25
Total non-current provisions	<b>23</b>	25
Total provisions	<b>36</b>	36
Carrying amount at 1 July	<b>36</b>	65
Additional provisions recognised	<b>12</b>	7
Reductions resulting from re-measurement or settlement without cost	<b>(12)</b>	(36)
Carrying amount at 30 June	<b>36</b>	36

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Office for the Public Sector.



<b>24. Equity</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Contributed capital	<b>64</b>	64
Retained earnings	<b>13 737</b>	1 190
Asset revaluation surplus	<b>2 650</b>	146
Total equity	<b>16 451</b>	1 400

The asset revaluation surplus is used to record increments and decrements in the fair value of plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

## 25. Unrecognised Contractual Commitments

### (a) Operating Lease Commitments

Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Within one year	<b>1 793</b>	1 657
Later than one year but not longer than five years	<b>3 631</b>	3 158
Later than five years	<b>1 549</b>	-
Total operating lease commitments	<b>6 973</b>	4 815

The Commission's operating leases are for office accommodation and warehousing. These commitments have been calculated at rates specified in the lease agreements. The leases are non-cancellable with terms ranging up to 11 years with some leases having the right of renewal. Rent is payable monthly in advance.

### (b) Expenditure Commitments

Expenditure commitments in existence at the reporting date but not recognised as liabilities are payable as follows:	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Within one year	<b>22 519</b>	8 143
Later than one year but not longer than five years	<b>25 819</b>	6 218
Total other commitments	<b>48 338</b>	14 361

The Commission's commitments arise from agreements for marketing services, circuit construction, event operations, event sponsorship and other cooperative and service contracts. There are no purchase options available to the Commission.

<b>26. Auditor's Remuneration</b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Audit fees paid/payable to the Auditor-General's Department relating to the audit of financial statements	<b>132</b>	123
Total auditor's remuneration	<b>132</b>	123

No other services were provided by the Auditor-General's Department.

Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in the balance of audit, legal and other fees in note 8.

## 27. Transferred Functions

The *Statutes Amendment (Boards and Committees – Abolition and Reform) Act 2015* dissolved the SAMSB and vested its assets and liabilities at 1 July 2015 in the Commission. By notice in the Government Gazette all employees of SAMSB were transferred to employment by the employing authority under the *South Australian Tourism Commission Act 1993* from 1 July 2015.

The functions and powers of the Commission in relation to motor sport are established under the *South Australian Motor Sport Act 1984*, and include the promotion of motor sport events and the establishment of a motor racing circuit on a temporary basis.

The expenses and income of the transferred functions are attributable to the Commission's Motor Sport Group division. Total income and expenses for the transferred functions are attributable to the Commission for the whole year.

On transfer of the SAMSB the Commission recognised the following assets and liabilities:

	<b>As at 1 July 2015</b>
	<b>\$'000</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	4 805
Receivables	383
TOTAL CURRENT ASSETS	<u>5 188</u>
<b>NON-CURRENT ASSETS</b>	
Receivables	756
Plant and equipment	13 216
TOTAL NON-CURRENT ASSETS	<u>13 972</u>
<b>TOTAL ASSETS</b>	<u>19 160</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Payables	2 330
Other current liabilities	1 591
Employee benefits	218
Provisions	1
TOTAL CURRENT LIABILITIES	<u>4 140</u>
<b>NON-CURRENT LIABILITIES</b>	
Payables	8
Employee benefits	53
Provisions	1
TOTAL NON-CURRENT LIABILITIES	<u>62</u>
<b>TOTAL LIABILITIES</b>	<u>4 202</u>
<b>TOTAL NET ASSETS TRANSFERRED</b>	<u>14 958</u>

Net assets assumed by the Commission as a result of the administrative restructure are the carrying amount of those assets in the transferor's Statement of Financial Position immediately prior to transfer. Net assets transferred are treated as a contribution by the Government as owner.

During the reporting period assets and liabilities assumed by the Commission on transfer which did not meet the recognition criteria were derecognised. The carrying amount of plant and equipment derecognised was \$629 000 and is shown as a loss in note 8. The carrying amount of financial liabilities derecognised was \$934 000 and is shown as a gain in note 13.

## 28. Remuneration of Board Members

Members of the Board during the 2015-16 financial year were:

### South Australian Tourism Commission Board

S Keenihan	J Irving	J Bates (from 1 October 2015)	B Hayes (until 30 September 2015)
A Ford	J Smith	J Collins (from 1 October 2015)	M Jeffreys (until 7 April 2016)
I Horne	M Young	F Hele (from 21 April 2016)	J Turbill (until 30 September 2015)

	<b>2016</b>	2015
	<b>Number</b>	Number
The number of members whose total remuneration received or receivable falls within the following bands:		
\$0 - \$9 999	4	2
\$10 000 - \$19 999	7	7
\$20 000 - \$29 999	1	1
Total number of members	<u>12</u>	<u>10</u>

Remuneration of members reflects all costs of performing board member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$168 000 (\$172 000). Amounts paid to a superannuation plan for board members was \$15 000 (\$15 000).

In accordance with Premier and Cabinet Circular PC016, government employees did not receive any remuneration for board duties during the financial year. Unless otherwise disclosed, transactions between members and the Commission are on conditions no more favourable than those that it is reasonable to expect the Commission would have adopted if dealing with the related party at arm's length in the same circumstances.

**29. Cash Flow Reconciliation**

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
<b>Reconciliation of cash and cash equivalents at 30 June:</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	<b>10 819</b>	4 410
Balance as per the Statement of Cash Flows	<b>10 819</b>	4 410
<b>Reconciliation of net cash provided by (used in) operating activities to net cost of providing services:</b>		
Net cash provided by (used in) operating activities	<b>2 051</b>	3 283
Revenues from SA Government	<b>(83 101)</b>	(54 483)
Non cash items		
Depreciation expense	<b>(1 896)</b>	(497)
Net gain (loss) from disposal of non-current assets	-	1
Derecognition of plant and equipment	<b>(629)</b>	-
Movement in assets and liabilities		
Receivables	<b>(335)</b>	(262)
Other assets	<b>261</b>	-
Employee benefits	<b>(222)</b>	(298)
Provisions	<b>2</b>	29
Other liabilities	<b>75</b>	218
Payables	<b>786</b>	(366)
Net cost of providing services	<b>(83 008)</b>	(52 375)

**30. Transactions with SA Government**

The following table discloses revenue, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
<b>EXPENSES</b>		
Employee benefits expenses	<b>629</b>	478
Advertising and promotion	<b>1</b>	171
Industry assistance	<b>25</b>	610
Administration and accommodation	<b>1 938</b>	1 745
Event operations	<b>2</b>	292
<b>TOTAL EXPENSES</b>	<b>2 595</b>	3 296
<b>INCOME</b>		
Sponsorship and participation	-	330
Refunds and recoups	<b>34</b>	91
<b>TOTAL INCOME</b>	<b>34</b>	421
<b>NET COST OF PROVIDING SERVICES</b>	<b>2 561</b>	2 875
<b>REVENUES FROM SA GOVERNMENT</b>		
Revenues from SA Government	<b>83 101</b>	54 483
<b>TOTAL REVENUES FROM SA GOVERNMENT</b>	<b>83 101</b>	54 483
<b>NET RESULT</b>	<b>80 540</b>	51 608
<b>TOTAL COMPREHENSIVE RESULT</b>	<b>80 540</b>	51 608
<b>FINANCIAL ASSETS</b>		
Receivables		
Receivables	<b>57</b>	-
Accrued revenues	<b>40</b>	-
<b>TOTAL FINANCIAL ASSETS</b>	<b>97</b>	-
<b>FINANCIAL LIABILITIES</b>		
Payables		
Creditors	<b>14</b>	48
Accrued expenses	<b>182</b>	149
Employment on-costs	<b>215</b>	169
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>411</b>	366

### 31. Budgetary Reporting and Explanations of Major Variances between Budget and Actual Amounts

The following table discloses variances between original budget and actual amounts. Explanations are provided where the variance exceeds the greater of 10% of the original budgeted amount and 5% of the original budgeted total expenses.

2016	Note	Original Budget <sup>(1)</sup> \$'000	Actual \$'000	Variance \$'000
<b>EXPENSES</b>				
Employee benefits expenses	(a)	9 589	13 857	4 268
Advertising and promotion		35 126	37 430	2 304
Industry assistance		10 153	9 857	(296)
Administration and accommodation		5 798	9 344	3 546
Event operations	(b)	14 329	38 042	23 713
Depreciation expense		494	1 896	1 402
<b>TOTAL EXPENSES</b>		<b>75 489</b>	<b>110 426</b>	<b>34 937</b>
<b>INCOME</b>				
Sponsorship and participation	(b)	4 891	10 025	5 134
Entry fees, sales and commission	(b)	1 521	15 017	13 496
Refunds and recoups		116	736	620
Interest		-	360	360
Other income		299	1 280	981
<b>TOTAL INCOME</b>		<b>6 827</b>	<b>27 418</b>	<b>20 591</b>
<b>NET COST OF PROVIDING SERVICES</b>		<b>68 662</b>	<b>83 008</b>	<b>14 346</b>
<b>REVENUES FROM SA GOVERNMENT</b>				
Revenues from SA Government	(c)	69 007	83 101	14 094
<b>TOTAL REVENUES FROM SA GOVERNMENT</b>		<b>69 007</b>	<b>83 101</b>	<b>14 094</b>
<b>NET RESULT</b>		<b>345</b>	<b>93</b>	<b>(252)</b>
<b>TOTAL COMPREHENSIVE RESULT</b>		<b>345</b>	<b>93</b>	<b>(252)</b>

<sup>(1)</sup> The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures

- (a) Employee benefits expenses were greater than budgeted primarily due to the *Statutes Amendment (Boards and Committees – Abolition and Reform) Act 2015* which dissolved the SAMSMB and transferred its employees to employment by the Commission.
- (b) Event operations, sponsorship and participation and entry fees, sales and commission were higher than the original budget mainly due to the functions of the former SAMSMB which were transferred to the Commission from 1 July 2015 pursuant to the *Statutes Amendment (Boards and Committees – Abolition and Reform) Act 2015*.
- (c) Revenues from SA Government were higher than originally budgeted predominantly due to the transfer of funding to the Commission from the former SAMSMB upon its dissolution.

2016		Original Budget <sup>(2)</sup> \$'000	Actual \$'000	Variance \$'000
<b>INVESTING EXPENDITURE SUMMARY</b>				
Total annual programs	(d)	133	449	316
<b>TOTAL INVESTING EXPENDITURE</b>		<b>133</b>	<b>449</b>	<b>316</b>

<sup>(2)</sup> The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Paper 4). These amounts have not been adjusted to reflect revised budgets or administrative restructures.

- (d) Investing expenditure was higher than the original budget mainly due to the transfer of motor sport functions pursuant to the *Statutes Amendment (Boards and Committees – Abolition and Reform) Act 2015*.

### 32. Financial Instruments / Financial Risk Management

#### (a) Financial Risk Management

Risk management is managed by the Commission's Finance and Business Services group. Risk management policies are in accordance with the Risk Management Policy Statement issued by the Premier and Treasurer and the principles established in the Australian Standard Risk Management Principles and Guidelines. The Commission is exposed to financial risk – liquidity risk, credit risk and market risk. There have been no changes in risk exposure since the last reporting period.

#### (b) Categorisation of Financial Instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial assets, financial liability and equity instrument are disclosed in note 2 Summary of Significant Accounting Policies.

The Commission does not recognise any financial assets or financial liabilities at fair value. The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to their short-term nature. All of the resulting fair value estimates are included in level 2 as all significant inputs are observable.

#### (c) Liquidity Risk

Liquidity risk arises where the Commission is unable to meet its financial obligations as they are due to be settled. The Commission is funded principally from appropriation by the SA Government. The Commission works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

The Commission settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made within 30 days from the date of resolution.

The Commission's exposure to liquidity risk is insignificant based on past experience and current assessment of risk. The carrying amount of financial liabilities recorded in table 32.1 represents the Commission's maximum exposure.

The following table discloses the carrying amount of each category of financial instrument held by the Commission. The Commission has assessed the maturity of its financial assets and financial liabilities as being less than one year.

**Table 32.1 Categorisation of Financial Assets and Financial Liabilities**

Category of financial asset and financial liability	Statement of Financial Position line item	Note	Carrying Amount	
			2016 \$'000	2015 \$'000
Financial assets				
Cash and cash equivalents	Cash and cash equivalents	16,29	10 819	4 410
Loans and receivables	Receivables <sup>(1)(2)</sup>	17	1 477	317
	Total financial assets		<b>12 296</b>	4 727
Financial liabilities				
Financial liabilities at cost	Payables <sup>(1)</sup>	20	3 816	2 345
	Other current liabilities	21	1 320	-
	Total financial liabilities		<b>5 136</b>	2 345

<sup>(1)</sup> Receivables and payables amounts disclosed above exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax and audit receivables/payables they are excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

<sup>(2)</sup> Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 17 as prepayments in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

#### (d) Credit Risk

Credit risk arises when there is the possibility of the Commission's debtors defaulting on their contractual obligations resulting in financial loss to the Commission. The Commission measures credit risk on a fair value basis and monitors risk on a regular basis. The carrying amount of financial assets as detailed in table 32.1 represents the Commission's maximum exposure to credit risk. No collateral is held as security and no credit enhancements relate to financial assets held by the Commission.

The Commission has minimal concentration of credit risk. The Commission has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Commission does not engage in high risk hedging for its financial assets.

The following table discloses the ageing of financial assets past due, including impaired assets past due.

**Table 32.2 Ageing Analysis of Financial Assets**

	Past due by <30 days \$'000	Past due by 30-60 days \$'000	Past due by >60 days \$'000	Total \$'000
<b>2016</b>				
Not impaired				
Receivables <sup>(1)</sup>	<b>331</b>	<b>38</b>	<b>55</b>	<b>424</b>
Impaired				
Receivables	-	-	<b>6</b>	<b>6</b>
<b>2015</b>				
Not Impaired				
Receivables <sup>(1)</sup>	67	241	1	<b>309</b>
Impaired				
Receivables	-	-	-	-

<sup>(1)</sup> Receivable amounts disclosed here exclude amounts relating to statutory receivables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax and audit receivables/payables they are excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

**(e) Market Risk**

The Commission does not engage in high risk hedging for its financial assets. To manage exchange risk for 2016-17, at 30 June 2016 the Commission had in place 12 (7) foreign exchange forward contracts totalling \$9 017 000 (\$3 512 000). In 2015-16 the Commission had 19 (11) foreign exchange forward contracts mature totalling \$8 897 000 (\$5 412 000). The forward contracts are to cover commitments denominated in foreign currencies, including for the payment of representation fees, event participation fees and global marketing activity. As with all hedges there are financial risks. Cashflows from foreign exchange forward contracts in 2015-16 are included in the Statement of Comprehensive Income, and where material are shown separately as losses in note 8 and as gains in note 13.

**(f) Sensitivity Disclosure Analysis**

A sensitivity analysis has not been undertaken for the interest rate risk and exchange risk of the Commission as it has been determined that the possible impact on total comprehensive result or total equity from fluctuations in interest rates and exchange rates is immaterial.

**(g) Credit Standby Arrangements**

The Commission has a \$283 000 (\$283 000) purchasing card facility with the ANZ Bank. The unused portion of this facility as at 30 June 2016 was \$212 000 (\$194 000).

# INDEPENDENT AUDITOR'S REPORT



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## To the Chairman South Australian Tourism Commission

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 23(3) the *South Australian Tourism Commission Act 1993*, I have audited the accompanying financial report of the South Australian Tourism Commission for the financial year ended 30 June 2016. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2016
- a Statement of Financial Position as at 30 June 2016
- a Statement of Changes in Equity for the year ended 30 June 2016
- a Statement of Cash Flows for the year ended 30 June 2016
- Disaggregated Disclosures - Expenses and Income for the year ended 30 June 2016
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chairman, Chief Executive Officer and the General Manager Finance and Business Services.

## The Board of Directors' responsibility for the financial report

The Board of Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

# INDEPENDENT AUDITOR'S REPORT

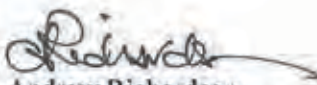
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My report refers only to the financial statements described above and does not provide assurance over the integrity of publication of the financial report on the South Australian Tourism Commission's website nor does it provide an opinion on any other information which may have been hyperlinked to/from these statements.

## **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 2016, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

  
Andrew Richardson  
**Auditor-General**  
16 September 2016









# South Australian Tourism Commission

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